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Polish Official Views CEMA's Role, Problems

AU1301120389 Warsaw TRYBUNA LUDU in Polish 6 Jan 89 pp 1, 4

[Interview with Minister Stanislaw Wylupek, PPR assistant permanent representative to CEMA, by Jerzy Kraszewski in Moscow: "On the Trail of Integration"—date not given]

[Excerpts] In connection with the 40th anniversary of the establishment of CEMA, TRYBUNA LUDU's correspondent in Moscow asked Minister Stanislaw Wylupek, PPR assistant permanent representative to CEMA, to discuss the organization's activities and problems. [passage omitted]

[Kraszewski] I would now like to ask about Poland's place in CEMA. What do we gain from membership in the organization? What is our contribution to the socialist community's integration processes?

[Wylupek] It provides us with stability and creates an opportunity for economic expansion that is based on lasting, long-term cooperation that is not subject to sudden shifts. Through this cooperation, especially with the Soviet Union, Poland satisfies its needs for basic raw materials. We should also recall the role that was played by our links to the Soviet Union when the West imposed sanctions and restrictions on us.

On balance, the cooperation is advantageous, which does not mean that we do not have any difficulties or problems. We think that, for example, the extent to which we have a division of labor—a particularly effective form of cooperation—is still inadequate. Barely 17 percent of deliveries of Polish machines to CEMA countries stem from agreements on specialization and cooperation, although the value of these exports is important to our foreign trade (1.8 billion rubles). The point is that there is a high degree of specialization in many branches of Polish industry. I would just mention shipbuilding, transportation, construction industry machinery, road construction machinery, textile processing machinery, cranes, antifriction bearings, pharmaceuticals, paints, and varnishes. Better use could be made of the opportunities created by specialization.

Poland is interested in the further expansion of cooperation and the development of specialization in the production and supply of articles for general use. If our countries were to manage to tap the potential that exists for production specialization, this would definitely help improve the supply of goods in our countries. [passage omitted]

[Kraszewski] Recently, CEMA activity has been increasingly criticized; such criticism has appeared primarily in the press, but not just there. The effectiveness of current integration mechanisms, the pricing policy, and exchange rates is among the things that have been criticized. Is this criticism justified? What are the organization's main weaknesses? What is Poland's position on these questions?

[Wylupek] I think that the criticism is warranted and justified—although some of it has come rather late. The council has made a series of decisions and instituted actions aimed at improving cooperation mechanisms, removing obstacles and checks, and streamlining structures.

However, the decisions made by the council are not the only things that are important. The conditions under which we have to operate changed in the 1980's. The CEMA countries exhausted the obvious reserves for economic growth and, with the transition to intensive development turning out to be more difficult than envisaged, our growth rate slackened to a certain extent. Some countries, including Poland, fell into the trap of being in debt to the West, with all the consequences that this entails, consequences that also have an impact on integration processes. I do not want to elaborate on this subject, because it merits treatment in its own right. I am just pointing it out, because it illustrates to what extent the situation has changed. This new situation calls for radical changes to the cooperation mechanism; this is neither a simple nor a straightforward task.

The CEMA countries' levels of development continue to vary, their domestic reform programs are at various stages of being implemented, and their approach to the very question of reform varies in light of the particular conditions existing in a given country. As I mentioned earlier, the existence of a variety of exchange rates and the absence of a uniform set of criteria for determining prices hinder scientific and technical cooperation and check the establishment of direct cooperation between enterprises and the finding of solutions to other problems. The council is aware of these problems and is focusing its attention on them.

Poland's position is clear-cut, and it was articulated by Comrade Wojciech Jaruzelski during the November 1986 meeting of leaders of communist and workers parties. He said: "Cooperation has to be improved and modified to suit new conditions."

I would like to remind you of some of our proposals. We think that what should be created are integration mechanisms that would be capable of combining the use of methodical planning in cooperation with an increased role for economic instruments. This relates to, among other things, making it possible to convert the transfer ruble into convertible currencies, having convertible national currencies, having changes to prices that would make them correspond more closely to world prices, the establishment

of a free-trade zone and a customs union, the creation of a development bank that would service direct ties, and an arbitration institution for settling disputes.

Courses of action designed to speed up integration processes were formulated at the November 1986 meeting. At its 43d and 44th sessions, the council drew up a program for reorganizing the integration mechanism. A concept for an international socialist division of labor for the years 1991-2005 emerged. Various stages for work on changing the mechanism were established. Solutions to problems of currency and financial matters, prices, and legal and organizational issues are to be found during the first stage, which is to last until 1990. Decisions have been made on reforming CEMA organs and the council's secretariat. All these things create favorable conditions for speeding up integration processes. [passage omitted]

Malile Meets Counterparts at CW Conference

Romanian, SFRY, GDR Delegates

AU1001200289 Tirana Domestic Service in Albanian 1900 GMT 10 Jan 89

[Text] Foreign Minister Reiz Malile, who is leading the delegation of the People's Socialist Republic of Albania at the international conference on chemical weapons now taking place in Paris, met yesterday with Ioan Totu, foreign minister of the Socialist Republic of Romania, and Budimir Loncar, federal secretary for foreign affairs of the SFRY. They discussed bilateral relations and international political problems, dwelling particularly on aspects of Balkan cooperation and the coming meeting of the deputy foreign ministers of the Balkan countries, which will be held in Tirana from 18 through 20 January 1989.

Foreign Minister Reiz Malile also met with GDR Foreign Minister Oskar Fischer, with whom he exchanged opinions on the development of relations between their respective countries and on certain aspects of the international situation.

French Foreign Minister

AU1101194589 Tirana Domestic Service in Albanian 1900 GMT 11 Jan 89

[Text] Reiz Malile, minister of foreign affairs of the People's Socialist Republic of Albania, met in Paris with Roland Dumas, minister of foreign affairs of the Republic of France. They discussed the friendly relations between Albania and France, and the further development of fruitful cooperation between the two countries.

They also exchanged opinions on the proceedings of the international conference to prohibit chemical weapons and on various international questions.

Party Organ Views Superpower 'Equilibrium'

AU0901144389 Tirana ZERI I POPULLIT in Albanian 30 Dec 88 p 4

[Arben Karapici article: "The 'Limits' of American-Soviet Strategic Equilibrium"]

[Text] The emergence of the phase of agreement in which American-Soviet relations find themselves today has brought to the fore the familiar idea of maintaining strategic equilibrium between the United States and the Soviet Union. The two superpowers seek to justify their strategic advancement, from armaments down to intervention in different areas of the world, with the "equilibrium" theory, and they broadcast the practical steps they have been taking in political and military matters as efforts to maintain this equilibrium. As one of the favorite theories in the superpowers' present-day theoretical armory of politics and diplomacy, the equilibrium theory is being preached by the United States and the USSR as a need of both for each other and for the calculations to which they subject each other's capabilities. Gorbachev considers the present equilibrium between the United States and the USSR as a "principal factor in preserving peace in the world," while George Bush, who will officially take up the post of American president in January next year, has recently asserted that "world peace is a result of bilateral agreements to preserve equilibrium in every field."

Therefore, both sides put forward equilibrium as "the key to success," but what are the limits of equilibrium between the United States and the USSR? Let us take the specific issue of the removal of intermediate-range missiles from Europe. This process, of course, is a positive step in the direction of the disarmament that sovereign states and peoples everywhere in the world so much desire. But the question of American-Soviet strategic equilibrium in Europe through the removal of Euromissiles has produced a new problem, that of the tactical missiles that both superpowers possess on our continent. The United States continues to insist on "the geographical proximity of the Soviet Union to Europe," which, according to them, gives rise to imbalance. In order to cope with this, they plan to send large contingents of tactical nuclear weapons and other nuclear and conventional arms to Europe at the same time as they dismantle intermediate-range missiles. The special White House envoy, William Taft, forcefully put forward this project for the acceptance of the Western European allies during a recent European tour. In response to this American step, Marshal Kulikov, the chief of General Staff of the Warsaw Pact military forces, stated that "We will not permit the United States and NATO to destroy the military equilibrium of forces and to achieve military superiority." This means that the Soviet Union, for its part, will undertake all the necessary measures that Moscow considers to be a "response," and which involve a fresh spiral in the arms race of the two blocs. Apart from this, the Soviet Union seeks to include the nuclear arsenals of Britain and France, as NATO member states, in the general equilibrium between the two blocs. If we add to this the fact that between the United States and the Soviet Union, it becomes clear that Europe and the world are still a long way from full and genuine steps toward disarmament. [sentence as published]

It must be said that the "equilibrium," whose preservation both sides seek, does not rely only on armament or disarmament, because the balance of strength, as both the Americans and the Soviets call it, is a fundamental component of their equilibrium theory. The newspaper PRAVDA recently wrote, "Our attitude to current world problems considers a broad equilibrium of interests that implies, first of all, an equilibrium with American interests wherever they emerge or exist." It thus becomes obvious that American-Soviet strategic equilibrium, with all its military and political ingredients, has as its core the superpowers' interests in hegemony and domination. Thus, preserving equilibrium between the United States and the Soviet Union presupposes that no side will exceed the other either in military strength or in their respective zones of political and economic influence.

At present, when the two superpowers are making the solution of regional conflicts in the Middle East, southern Africa, Central America, and elsewhere the object of intensive discussion, their main worry is what future the solution of these conflicts will bring to American and Soviet interests in the relevant regions. This concern was openly voiced in the recent Geneva talks between Soviet Deputy Foreign Minister Adamishin and his American counterpart Crocker in relation to the problems of Angola and Namibian independence, when both sides stressed that "an agreement must be reached," that also takes into account the interests of the United States and the Soviet Union in the region. Thus, a mutual recognition of each other's interests, sanctioned by official documents exchanged between the superpowers, is an inseparable element in the theory of maintaining American-Soviet equilibrium in every area and at all costs.

Whatever aspect one considers, preserving equilibrium serves the preservation of the hegemonistic interests of the superpowers in international relations and the increase of their domination to the level of an inevitable norm in world political life.

In the present situation, when the peoples of the entire world are determinedly calling for real achievements in disarmament and for solutions to conflicts wherever they may exist, in accordance with their freedom-loving aspirations for self-determination, the superpowers are trying to persuade peoples and states that nobody can live outside the sphere that includes "the equilibrium of strategic interests" of the Americans and the Soviets. The United States and the Soviet Union consider the solution of the most important issues in modern international life to be exclusively within the competence of their interests. It is a superpower attitude that minimizes, to the point of total disregard, the role of other states in solving the most essential problems that preoccupy the entire international community.

As a European country that has always strongly opposed the tendency of the superpowers to monopolize world affairs and to use their diktat in international relations; which has raised its voice loudly; and which struggles for security, a reduction of tension, and for true peace throughout the world; Socialist Albania is in favor of the irreplaceable role of the international community, in which all countries decide together the important issues that determine the destiny of the peoples and mankind, such as peace and genuine international security.

Belgrade Serbian Press on Kosovo Criticized
AU0401114089 Tirana ATA in English
0735 GMT 4 Jan 89

["A Propaganda Which Sows Hatred and Enmity—On the Article of a Serbian Malthusian of Our Time Published in Belgrade's Newspaper POLITIKA"—ATA headline; quotation marks as received]

[Text] Tirana, January 4 (ATA)—Under the above title the newspaper ZERI I POPULLIT of January 4 carries an article written by Javer Malo. It says:

Belgrade's Serbian press continues to publish articles which would make us smile due to their poor and distorted historic knowledge of their authors, if it were not for the danger this kind of frenzied chauvinist propaganda poses not only for the Albanian people of Kosovo, but also for the future of Yugoslavia itself. After the comprehensive articles by Arso Milatovic in the newspaper BORBA in spring last year, here comes now an article by a certain Dusan M. Vojnovic, published in the newspaper POLITIKA on November 23, entitled "The Emigration Is a Result of the Occupation of the Living Space." It deals with the occupation of Kosovo by the Albanians, which the author compares to Hitler's invasions to find "living spaces" for the German people. It is difficult to imagine how far can the calumnies, lies, cynicism, and ignorance of such authors go. Dusan Vojnovic rises against the Albanian press, which presents Kosovo and Metohija—the author always makes use of the Greek word Metohija (metoq), which means wealth or estate of the church, instead of the words Rrafsh i Dukagjinit—as ancient Albanian territories. [Metohija and Rrafsh i Dukagjinit, or Plain of Dukagjin, are the Serbo-Croatian and Albanian names respectively for the Drim valley between Prizren and Istok] He also rises against some politicians of Kosovo's present leadership, who maintain that "the Albanians and Serbs have been long since lived together in Kosovo." This kind of author refutes as well the well-known thesis, which has been scientifically proved by the most authoritative historians and linguists in the world, on the Illyrian continuity of the Albanians. It is then in vain to put the question to him who inhabited Kosovo prior to the Slav invasion in the Balkans? Was it an empty space? The Slavs did not invade only Kosovo, but the whole present day Albania and Greece down to Corinth, where in memory of this tide, a series of toponyms existing even today have been left behind. Following this high, powerful tide there came the ebb-tide which took the Serbs to the territories inhabited by them today. For Dusan Vojnovic "Kosovo and Metohija began to be populated by Albanians by the middle of the 18th century, mainly those territories which remained empty after the Serbs' emigration." The author is not implying perhaps the Serbian emigration which began with the great ebb-tide from the whole Balkans, but the Pec Patriarchate which was done away with not by the Albanians but by the Patriarchate of Constantinople, and was set up in the Danubian coasts, where the Serbs were living. "The population was intensified, he continues, especially in the second half of the past century, but this time, in a very savage way, forcing the Serbs out of their territories by exerting a terrible terror."

To back up "this important discovery," the author cites, as a testimony, only that of another Vladan Djordjevic, of a certain Janic, who had written a book entitled "The Life of Serbs in Kosovo in 1812-1912." It is one of those books written by the propaganda makers of the Serbian expansion, filled with falsifications and lies, without any historical basis and truth. Rene Ristalhuber, in his well-known work "The History of the Balkan People" writes as follows

about this propaganda which was raised on the threshold of the Balkan war: "Agitation was heightening every day urged by a frenzied propaganda, which no means could stop... Bulgarians, Greeks, and Serbs were engaged in fighting each other not only with weapons, but also with historic, ethnological, philological arguments each published in statistics comprising amazing differences. Thus Macedonia has, according to Bulgarian documents, 1,184,036 Bulgarians and 57,600 Serbs, whereas the Serbs used to say that they had 2,084,320, leaving to the Bulgarians only 700 people... After having sought each of them arguments to consolidate their theses from various sciences, they tried to count more bishops, more churches, more schools, teachers, and pupils in documents to impress Europe." Such is also the old book of Janic on the imaginary massacres of the Albanians against the Serbs in the past two centuries. Dusan Vojnovic does not see anything but aggravation in the relations between the Albanians and Serbs with the exception, he says, of the short period when Esat Pasha was ruling in Albania. [reference to Esat Toptani, who dominated parts of central Albania during World War I]

It is amazing how far the slander, falsifications, and ignorance of the people obsessed with mania of the Serbian majesty can go so as to apply even for the aid of an Albanian traitor. This so-called author puts aside all the negative aspects that the Serbian monarchy, and later the Yugoslav one has played at the expense of Albania and the Albanians. The Yugoslav review DANAS of February 2, 1988 carried an article entitled "The Methods of the West and Turkey" written by Zelko Kruselj, who extensively deals with the platform of the notorious Vasa Cubrilovic [Yugoslav historian, born 1897, accomplice in the Sarajevo assassination of 1914, and advocate of the expulsion of the Albanians from Yugoslavia] prior to World War Two. He writes among others: "The plan for the radical purge of the Albanians from the Slav countries was always present in the circles of the government, the general staff and of a part of the intelligentsia. In case Yugoslavia would not be successful in the plans for the unification of Northern Albania, the article continues, it would aim by all manner of means to force King Zog to accept 100,000-150,000 of his compatriots... Therefore, Cubrilovic advised that the army and police would expel by force the Albanian minority outside the Yugoslav state. To cut it short, everything was allowed to be used against the Albanians: the physical punishments, setting free of dogs, imprisonment, murder, setting on fire whole Albanian villages and quarters."

Dusan Vojnovic puts all these aside, but he forgets or even does not know at all, that a fruitful cooperation has existed between the Albanians and the Serbs in centuries. Different from the Albanians, the Serbs did not help Greek uprising, but Knjaz Milos agreed to help in 1831 Shkoder's Bushatlis [the Bushatli family ruled the Shkoder area as a semi-independent feudal fiefdom, 1769-1831] in their uprising against the Ottoman Empire, an aid and cooperation which continued even later between the Serbs and the Albanians. Dusan Vojnovic crosses out all this century-long history and presents it topsy turvy and quickly reaches the World War Two period, when Kosovo's Albanisation, he says, "became more intensive during the occupation period in the years 1941-1945 when the Ballists killed 60,000 Serbs and Montenegrins and about 200,000 others were expelled so that Albanians from Albania and from Kosovo and Metohija be settled there in their territories. His friend Arso Milatovic wrote that "communists in fascist uniform whose mission was to form Big Albania" came to Kosovo. This is how he called the internationalist communists, who went there to raise the people of Kosovo together with the other peoples of Yugoslavia in the National Liberation War. As for the Ballists, we settled our account with them arms in hand both in Albania and in Kosovo, where our partisan brigades went to assist the peoples of Yugoslavia. But we want to remind not so much the author of this article then the leaders of the newspaper POLITIKA that the Ballists in Kosovo did not fight against the Serbs and Montenegrins, but against the national liberation movement of the Albanians of Kosovo and against the national liberation movement in Albania. With regard to the Serbs and Montenegrins, the fascist occupiers had charged with this duty the Ballists' friends, Chetniks of Draza Mihajlovic.

But, all these countless shameful falsifications of the history are made with a set aim: to abrogate the 1974 Constitution, by means of which the Kosovo people, after 20 years of wretched life in Yugoslavia, gained some rights, which as many as they are, were and are encroached on by the Serbian chauvinists. From that time on, the special struggle, up to the genocide, started and was employed so that the Serbs and Montenegrins, under the pressure and spiritual terror, even physical one, emigrate from their century-old lands," writes in his article this contributor to the POLITIKA newspaper. He presents things as once upon a time by the lying propaganda of small Balkan monarchies, in order to create the impression in Europe as if Kosovo was not an autonomous region in the Serbian Republic, full of Federation's soldiers and police, but a state in itself, in whose context Serbia would be an autonomous region. However, the slanders of the Serbian chauvinists backfire. They want to deceive and upset Europe with "the genocide" of the Albanians against the Serbs and Montenegrins. However, the major European and world newspapers have seen through this dishonest game. They point out that since the time of 1974 Constitution up till now, 250,000 Albanians have been forced to leave their homes for economic reasons. Nearly 100,000 of them live in FRG, 60,000 in Switzerland, 40,000 in other countries, and 50,000 throughout Yugoslavia. We could also add to these figures those hundreds of thousands of Albanians who emigrated before 1974 from Kosovo and Macedonia for Turkey, so we could get a clearer picture of the fact that who have exercised genocide in Kosovo and against whom.

The Serbian chauvinists speak about the so-called genocide that Albanians in Kosovo exercise against the Serbs and Montenegrins. But how, by what means, do they exercise this genocide? This is explained to us by "the very cultured" author, who writes in POLITIKA, and who gives the impression that he had read nothing else in his life apart from Hitler's "Mein Kampf". "In my opinion, he writes, the most fruitful way for the special war and the exercise of pressures upon the Serbs and Montenegrins to force them emigrate is the explosion of births among the Albanian population..." "They want at all costs to upset even more the already disordered demographic balance in Kosovo and Metohija, that is, to displace completely the Serbians and Montenegrins from these territories. This is, in fact, a model of the Hitlerian theory for the occupation of vital space. This demographic explosion of the Albanians "serves the diabolical plan of the Albanian nationalists and separatists." And in this way the author proceeds with the false figures in order to darken the tableau and the rush of the Albanians towards natality aimed at filling up the "vital space." He is almost apt to say that Albanians pose a threat not only to the vital space in Kosovo, but also to the space of the whole Yugoslavia.

At the end of his article, Dusan Vojnovic calls for measures to end the natality rate among the Albanians. This obscure Serb from Kosovo poses as a new Malthus. The Malthusian theory, which was strongly criticized by Marx and Lenin, is flourishing today more than ever in the Socialist Republic of Serbia. It will not be surprising to hear one day from Dusan Vojnovic, or from any of his friends, proposals on the means to make effective the elimination of "the excess" of the Albanian population of Kosovo which are the sterilization and the Hitlerian gas chamber.

The Yugoslav press itself, particularly that of Croatia and Slovenia, have criticized this excess of Serbian chauvinism, which with its anti-Albanian attitude, menaces the future of the Yugoslav state.

Such a propaganda, which sows hatred and enmity between the peoples, runs counter to the efforts made by the Balkan countries for cooperation and understanding among them.

Gjinushi Leaves for UN Conference in Geneva

AU0901132289 Tirana ATA in English 0730 GMT 9 Jan 89

[Text] Tirana, January 9 (ATA)—A delegation of the People's Socialist Republic of Albania, headed by the minister of education, Skender Gjinushi, left for Geneva on January 9. It will attend the proceedings of the 41st session of the International Conference on Education, to be held in Geneva from January 9-17, 1989.

Alia Sends Message to Emperor Akihito of Japan

AU1001200189 Tirana Domestic Service in Albanian 1900 GMT 10 Jan 89

[Text] Comrade Ramiz Alia, chairman of the Presidium of the People's Socialist Republic of Albania, has sent the following telegram to Emperor Akihito of Japan:

On the occasion of Your Majesty's ascent to the Throne of the Emperor of Japan, in the name of the Presidium of the People's Assembly of the People's Socialist Republic of Albania, and personally, I convey to you greetings and best wishes.

Availing myself of this opportunity, I wish that the friendly relations between Albania and Japan may develop continually in their mutual interest.

People's Assembly Hears Economic Forecasts

AU0401155989 [Editorial Report] Tirana ZERI I POPULLIT in Albanian on 29 December carries on pages 1-4, under the heading "At the Fourth Session of the 11th Legislature of the People's Assembly," a 9,000-word report of speeches delivered at the People's Assembly in Tirana on 28 December.

According to the report, the Deputy Terezina Marubi stated that "Shkoder District exports will rise by 29 percent in 1989 compared with the current year."

Ismail Ahmeti, minister of construction, is reported as saying that "over 5,600 apartments" were built during 1988, but that "despite these achievements, the construction plan and the production plan for various construction materials were not fulfilled. We have analyzed this year's nonfulfillments, identified the causes, and we will work with the greatest determination and sense of responsibility to fulfill the tasks of the plan in 1989 that are to be approved at this session of the People's Assembly."

The report states that "Shane Korbeci, minister for foreign trade, said, among other things in his speech, that the working people in foreign trade, in pursuit of the decisions of the Ninth AWP Congress and the sixth AWP Central Committee plenum and the instructions of Comrade Ramiz Alia, have been better mobilized to fulfill their tasks. On this basis, we have tried to organize our work better and to familiarize ourselves better with market opportunities, in order to buy and sell to our greater benefit, and to improve the structure of our exports. From the work that has been done for more beneficial trading to exploit opportunities that were created, we succeeded in increasing the economy's income by profiting from prices and making transactions of different kinds.

"In 1988, we monitored more closely the fulfillment of export tasks both at home and abroad. Together with other ministries, we have struggled better to solve problems that have emerged in the course of carrying out the

export plan, have been more adept at selling goods, have prevented the delivery of goods whose quality contravenes conditions of contracts, have reduced the storage period of goods in the foreign trade enterprises' warehouses, and so forth. All of us, working people in foreign trade, producing ministries, executive committees of people's councils in the districts, and agricultural cooperatives and enterprises, must act more on the party's profound slogan that there can be no imports without exports, he continued later, because we notice that there are more demands for imports than goods delivered for export at a time when everybody knows that our foreign currency funds are obtained from the sale of our goods.

"Talking about the tasks to successfully fulfill the 1989 plan, he said that we are increasing measures to encourage the initiative and responsibility of foreign trade enterprises in fulfilling plans; tying them more closely to enterprises, districts, and ministries that produce exports and use imports; drawing up better contracts; coordinating the trade of imported goods that are used to produce exports; and devolving as much authority as possible in the field of prices in foreign trade. We will also coordinate work better in identifying demands and trends in foreign markets, recognizing the productive possibilities and capacities of the nation better, and identifying ways to increase exports of both traditional and new goods. The creation of foreign trade sections within certain executive committees in the districts will be helpful here. We will monitor with particular care and attention the better fulfillment of needs for consumer goods from imports, the textile and plastics industries, the chrome industry, oil production, and progress in the construction of ferro-chrome works; we will support the agricultural sector with the goods it requires, and so forth. In conclusion, he said that the tasks entrusted to us in the 1989 draft plan, which this assembly will examine and approve, will be a major program of labor for working people in foreign trade, as for all our people, and that we will be mobilized and will struggle to realize them."

The report goes on to state that "After pointing out various achievements, especially in coal mining and engineering products, Lavdosh Hametaj, minister of energy, spoke of various deficiencies in oil enterprises and institutes, principally in the management and direction of labor, in following problems consistently, in conclusively pursuing the struggle to eliminate shortcomings, and raising the professional standards and level of qualification of specialists; he pointed out shortcomings in their tasks of giving priority to increasing the coefficient of well exploitation, the effectiveness of intensification work and secondary methods, the better use of tractors, the introduction and speedy exploitation of new wells, and so forth. He stressed that there should be stronger control over the tasks that have been set, and more technological supervision and proletarian discipline at work. He then dwelt on the measures being taken to assist prospecting work for reserves and to fulfill the oil and gas extraction plan from new resources, on road and platform construction, the fast displacement of drilling rigs in the intensified zone, and so forth. In order to further improve the coefficient of well use, he said, the wider use of new technology has been planned, including about 70 screw pumps, the production of 580 deep-level pumps, the renewal of parts and equipment, and so forth. In particular, there will be more attention to drilling new wells, especially in the intensified zone, and to discover new sources of oil and gas. The inauguration of new wells will be preceded by more professional and extended research and planning work. He also spoke about measures to fulfill the plans for coal extraction and electricity production, in order to arrive at the 45th anniversary of the liberation of the homeland with new victories."

The report also covers a speech by Ajet Ylli, chairman of the Committee for Science and Technology, in which Ylli is reported as speaking on "the preparatory work that has been done to carry out the Council of Ministers' decision that all production institutes, from 1 January next year, should no longer be financed by the state budget, but should change to a system of internal accountancy, such as economic enterprises use."

Pirro Kondi, AWP Central Committee Politburo candidate member, is reported as discussing the improved supply situation in Tirana in 1988: "Specifically, he said, 2.8 more kilograms of meat, 3 more kilograms of milk, 2 more kilograms of sugar, and more fats and industrial goods per member of the population, have been supplied in comparison with 1987, and distribution has been better balanced."

The report also covers a speech by Manush Myftiu, AWP Central Committee Politburo member, stating, "The draft plan and draft budget for 1989, said the deputy Manush Myftiu, include tasks that are among the greatest we have yet faced. The social product and the national income will rise between two and four times faster than the growth of population. The proportions and priorities that stem from the laws of expanded socialist reproduction are preserved. He pointed out that fulfilling tasks demands more labor, more initiative and creative imagination, more revolutionary militancy, and more technical, organizational, material, economic, and financial measures. In this process, relying on our own resources has been and remains fundamental. It guarantees the country's economic and political independence, encourages effort and struggle against every difficulty, and the most rational and careful use of productive potential; it guarantees the material resources to meet our internal needs and develop further the economic and trading ties with other countries that assist our country's economic progress."

Stefani Awarded Decoration on 60th Birthday

AU0401113889 Tirana ATA in English
0730 GMT 4 Jan 89

["The Superb Decoration 'The Order of Freedom of First Class' Is Awarded to Comrade Simon Stefani"—ATA headline]

[Text] Tirana, January 3 (ATA)—On occasion of the 60th anniversary of the birthday of Comrade Simon Stefani, member of the Political Bureau and secretary of

the party Central Committee, the ceremony of handing over the superb decoration "The Order of Freedom of the First Class," awarded to him by the Presidium of the People's Assembly, at the proposal of the Political Bureau of the party Central Committee was organised at the seat of the Presidium of the People's Assembly, on January 3.

Attending were the first secretary of the party Central Committee and president of the Presidium of the People's Assembly, Comrade Ramiz Alia, and Comrades Adil Carcani, member of the Political Bureau of the party Central Committee and chairman of the Council of Ministers; the members of the Political Bureau of the party Central Committee Besnik Bekteshi; Foto Cami; Hajredin Celiku; Hekuran Isai; Lenka Cuko; Manush Myftiu; Prokop Murra; the alternate members of the Political Bureau of the party Central Committee Kico Mustaqi' Llambi Gegprifti; Pirro Kondi; Vangjel Cerrava; the member of the party Central Committee and chairwoman of the General Council of the DFA [Democratic Front of Albania] Nexhmije Hoxha, members of the party Central Committee, the Presidium of the People's Assembly and government, working people of the apparatus of the party Central Committee, leading cadres of the central and mass organisations, military men.

The speech on the occasion was held by Comrade Ramiz Alia, who said among others that Comrade Simon Stefani's decoration constitutes a special joy for all of us, because the activity of a comrade is evaluated, of a comrade who as a communist and leader has laid unsparingly all his abilities in service of the homeland and the people, who has worked and works with loyalty and devotion for the cause of socialism. The party and Comrade Enver Hoxha, Comrade Ramiz Alia continued further on, took special care of that generation of youngsters that following the country's liberation worked with enthusiasm and lofty patriotism for the reconstruction and construction of the new Albania. Comrade Simon Stefani is amongst these youngsters of the working class, few in numbers at that time.

After pointing out the simplicity, the sound links with the people and the communist courage Comrade Simon Stefani has constantly manifested, Comrade Ramiz Alia stressed that conscious of the great tasks the party has assigned him, exigent towards himself and the others, he makes all efforts, fights with a high spirit of responsibility, directs and leads with his example. As a member of the party's top leadership he renders a distinguished contribution to and plays an important role in the strengthening of the party, the state of the proletarian dictatorship, the all-round economic and cultural progress of the socialist homeland and in the strengthening of its defence capacity

In conclusion he wished him as a friend and co-worker good health and long life, fruitful work to the good of the homeland and the people, and successes in carrying out the very important duty the party has entrusted him with.

Then Comrade Ramiz Alia handed over to him the superb decoration.

Comrade Simon Stefani pointed out among other things that everything said for me here I dedicate to our glorious party, founded and led by our great teacher and educator, the legendary leader Comrade Enver Hoxha. He assured the party, the Central Committee, and Comrade Ramiz Alia that he will devote his whole life to the sacred cause of socialism and our wonderful people.

The ceremony proceeded in a joyful atmosphere.

Leaders' Public Appearances 30 Dec-6 Jan 89

AU0601150789 [Editorial Report] Tirana Domestic Service in Albanian in its broadcasts between 30 December and 6 January reports the following public appearances of Albanian leaders (sourceline of each report given in parentheses):

Ramiz Alia, AWP Central Committee [CC] first secretary and chairman of the Presidium of the People's Assembly; Adil Carcani, AWP CC Politburo member and chairman of the Council of Ministers; Besnik Bekteshi, Foto Cami, Hajredin Celiku, Hekuran Isai, Lenka Cuko, Manush Myftiu, and Prokop Murra, AWP CC Politburo members; Kico Mustaqi, Llambi Gegprifti, Pirro Kondi, and Vangjel Cerrava, AWP CC Politburo candidate members, attended on 3 January a ceremony held at the premises of the Presidium of the People's Assembly, at which Simon Stefani, AWP CC Politburo member and secretary, was awarded the Order of Freedom, First Class, on his 60th birthday. (Tirana Domestic Albanian 1900 GMT 3 January)

Pirro Kondi, AWP CC Politburo candidate member and Tirana District AWP Committee first secretary, attended on 31 December the inauguration of a children's playground in Tirana. (Tirana Domestic Albanian 1900 GMT 31 December)

Atanasov, Ovcharov Speak on Government Plan
AU1201102989 Sofia RABOTNICHESKO DELO in Bulgarian 10 Jan 89 pp 1, 2

[BTA report: "Profound Change in Style of Work is Necessary"]

[Text] A meeting devoted to tasks related to implementing the Uniform State Plan for Scientific-Technical and Socioeconomic Development of the People's Republic of Bulgaria in 1989 took place at the Council of Ministers on 9 January.

The meeting, which was chaired by Georgi Atanasov, chairman of the Council of Ministers and member of the BCP Central Committee Politburo, was attended by members of the government; chairmen of the executive committees of the oblast people's councils and Sofia City People's Council; the chairmen of the associations; the chairmen of the committees at the Council of Ministers and leaders of other central departments; deputy ministers; leaders of specialized trade banks; leaders of economic trusts, combines, and foreign trade organizations; trade union figures; and representatives of the mass media.

Stoyan Ovcharov, minister of economy and planning and candidate member of the BCP Central Committee Politburo, read a speech.

He pointed out that, in implementing the plan, three spheres of crucial issues must be the focus of attention. The first relates to organizing the work to implement the state plan. The issue of structural and technological restructuring is a main one. The complexity of the tasks in this area requires that a turning point be attained in the activity of the existing organizations of research and technologies. The timely supply of the necessary raw materials, other materials, and of production-sharing deliveries has exceptional importance in the implementation of the current plan. In the area of investment activity we must assert measures related to commissioning great projects of exceptional importance in the national economy and in determining the structure and measures related to constructing projects in the social sphere. Tasks related to supplying the population with goods and services are of exceptional importance. The activity of the enterprises and organizations in working out the plans for producing goods for the domestic market was assessed as unsatisfactory. A breakthrough has not been achieved. The old practice, whereby the economic organizations strive to ensure maximum resources while the production of goods decreases is continuing.

Stoyan Ovcharov pointed out that the issues related to the commodity funds provided by the agro-industrial complex must be resolved in a clear and firm manner. The oblast and municipal people's councils must understand that a fundamentally different situation related to rights and responsibilities in respect to the market situation and the supply of foodstuffs emerged in 1989. In addition to implementing state commissions, the envisaged consumption norms in the territorial communities are to be observed The new conditions create the possibility of developing initiative. The redistribution of the commodity funds for those oblasts and municipalities that, because of failure to implement their territorial balances, cannot ensure a sufficient supply of foodstuffs for the population of their territory will not be allowed.

A fundamental change is also necessary in the implementation of the foreign currency plan, particularly in the second direction [po vtoro napravlenie]. The import of machines and equipment from nonsocialist countries is an issue that must be solved by the economic organizations themselves. They also must ensure the necessary foreign currency resources.

Stoyan Ovcharov also spoke about some budget issues. He appealed for the economical and efficient use of budget means. Subsidies will be provided only in cases in which the relevant organization has submitted to the Council of Ministers a specific program of measures related to decreasing the subsidies.

Special attention was paid to implementing the plan under conditions in which there is company-based organization and new economic regulating instruments.

Speaking on the organization of the company-based structures, Comrade Stoyan Ovcharov noted that the company-based organization of economic activity has fundamentally new, essential characteristics in comparison with the organizational-administrative structures that have existed to date. The following sequence is to be observed in organizing the companies:

The basic forms that determine the structure are to be established first. They will form the framework of the national economy. Simultaneously we will prepare the establishment of smaller companies. The establishment of a union of trade and industry will be effected at the next stage. A congress of commodity producers will take place by the end of March. At the third stage, we shall begin to create powerful economic groups in the leading economic sectors.

Later on, Comrade Ovcharov spoke about the work of the commodity producers in the transitional period of establishing the companies, setting the rules of forming individual labor wages, and applying the new wholesale prices. Finally, he spoke about issues of discipline and the progress in implementing the 1989 Plan, and stated that the main thing now is, at the same time as companies are being established, to guarantee conditions of normal work and the rhythmic implementation of the plan as early as the beginning of the year.

In his concluding speech, Georgi Atanasov, chairman of the Council of Ministers, drew attention to the fact that we must not merely ensure the implementation of the indexes and the pace and proportions of plan implementation, and base economy on the principle of companies,

but we must also change the quality of leadership and transform economy. The change in social relations requires a profound change in the manner o. work.

The leader of the Bulgarian Government recalled that in his concluding speech at the BCP Central Committee December plenum, Comrade Todor Zhivkov drew exceptional attention to and emphasized with great force the issue that now, after the plenum, and in 1989, we need organization, a style of work, and responsibility that are in accordance with the criteria, principles, and requirements of the December plenum.

Ministry of Interior Announces Plovdiv Arrests
AU1201185989 Sofia Domestic Service in Bulgarian 1830 GMT 12 Jan 89

[Text] Announcement of the Ministry of Internal Affairs.

On 11 January 1989 the organs of the Ministry of Internal Affairs, with the permission of the prosecutor's organs, arrested a group of people in the city of Plovdiv, among them Iliya Stoyanov Minev, Grigor Stoimov Bozhilov, Dimitur Tomov Yordanov, Blagoy Vasilev Topuzliev and others, most of whom have committed various crimes.

The investigation organs are doing the necessary work in order to clarify the facts and circumstances that implicate these people in criminal acts of a general character, such as consciously participating in spreading false rumors intended to create mistrust toward the government and its enterprises.

After the completion of the investigation the materials will be handed over to the prosecutor's organs.

Zhivkov Congratulates Albania's Alia on Jubilee
AU1201202789 Sofia RABOTNICHESKO DELO in Bulgarian 11 Jan 89 p 1

[Text] Todor Zhivkov, chairman of the State Council, sent a telegram to Ramiz Alia, chairman of the People's Assembly Presidium of the People's Socialist Republic of Albania, expressing cordial congratulations on the occasion of the 43d anniversary of the proclamation of Albania as a people's republic, and wishes to the fraternal, Albanian people for new successes along the path of their successful development and for the prosperity of Socialist Albania.

The telegram expresses confidence that the ascending development of relations between the People's Republic of Bulgaria and the People's Socialist Republic of Albania will contribute to the cause of socialism in our two countries and to the consolidation of peace and security in the Balkans and in Europe.

Mladenov Returns From Paris Conference
AU1001161689 Sofia Domestic Service in Bulgarian 1830 GMT 10 Jan 89

[Text] On 10 January Petur Mladenov, minister of foreign affairs, returned from Paris, where he took part in the international conference on the banning of chemical weapons.

At Sofia airport he was greeted by deputy ministers of foreign affairs and by Bertrand Marie de Guilhem de Lataillade, French ambassador to Bulgaria.

Economic Cooperation Protocol Signed With Greece
AU1201192589 Sofia BTA in English 1832 GMT 12 Jan 89

["Bulgaria, Greece: Active Economic Exchange"—BTA headline]

[Text] Athens, January 12 (BTA corr.)—With a signing of a protocol here today ended the 14th session of the Bulgaro-Greek Commission for Economic and Techno-Scientific Cooperation.

At plenary sessions, in subcommissions and working groups was made a review of the joint activity in the period between the sessions and concrete measures were outlined for deepening and widening of the mutual cooperation in the sphere of trade, agriculture, industry, new technologies, etc.

After the signing of the protocol the chairmen of the two parts of the commission Mr. Khristo Khristov, minister at the Ministry of Foreign Economic Relations of Bulgaria, and Mr. Ioannis Papandoniou, deputy minister of national economy of Greece, gave press conference at which they expressed satisfaction over the successful work. They stressed that the mutually advantageous cooperation is deepening on the basis of the goodneighbour relations in compliance with the agreements reached by State Council President Mr. Todor Zhivkov and Prime Minister Mr. Andreas Papandreou.

During the session the cochairmen initialed the new long-term programme for economic cooperation between the two countries which will be signed at the next Bulgro-Greek top level meeting, and an agreement between the Bulgarian Foreign Trade Bank and the Trade Bank of Greece on the establishment of a joint Bulgaro-Greek bank.

The leader of the Bulgarian delegation had talks with Mr. Panayiotis Roumeliotis, minister of national economy of Greece, Mr. Nikolaos Akritidhis, minister of trade, with Mr. Konstandinos Papanayiotou, second minister of industry, research and technology, as well as with representatives of the bank and business circles in Greece.

The official talks passed in the traditional for Bulgaria and Greece atmosphere of friendship, cooperation and understanding. [sentence as received]

Spokesman on Paris Talks, Semtex, Pan Am Crash

LD1201200189 Prague CTK in English 1823 GMT 12 Jan 89

[Text] Prague Jan 12 (CTK)—Spokesman of the Czechoslovak Foreign Ministry Ivan Kulhanek presented today the Czechoslovak stand upon the Paris conference of the signatories of the 1925 Geneva protocol for the prohibition of the use of chemical weapons and other countries concerned at a press conference at the Czechoslovak Government Presidium's office.

He said in the statement that the course and results of the Paris conference had confirmed that new ways of solving global problems were beginning to be applied.

"Czechoslovakia welcomed that the conference had unanimously adopted a final declaration calling for further strengthening of the Geneva protocol and for the activation of negotiations on ban on and total liquidation of chemical weapons in such a way that they could be finished as soon as possible", the statement further said.

Czechoslovakia's concrete contribution to the efforts to prevent further proliferation of chemical weapons by adopting measures to limit exports of chemicals of dual purpose and the readiness to join the agreement immediately after it is negotiated have met with a positive response, Ivan Kulhanek stated and stressed that the Paris conference had become a new significant impulse on the road towards the definitive elimination of chemical weapons from the life of mankind.

The spokesman repeated that Czechoslovakia has not supplied, is not supplying and will not supply the Semtex explosive to any terrorist organization, and recalled that it has not been exporting it for several years.

He also stressed that the British Government failed to prove that a Czechoslovak-made explosive was used in the bomb attack on a U.S. Pan Am aircraft over Scotland, pointing out that Czechoslovakia is not the only country to produce similar explosives.

Ivan Kulhanek recalled the departure of four Czechoslovak experts to London who will take part together with British experts today in talks on technical details of marking and detecting plastic explosives and will help to identify the explosive that caused the catastrophe of the U.S. plane.

The spokesman spoke of the Czechoslovak proposal for a joint initiative with Britain with the aim to hold expert talks within the framework of the United Nations with all producers of plastic explosives taking part. The talks could lead to the conclusion of an international convention on the principles of marking and detecting these explosives, including the duty of manufacturers to announce supplies and buyers of these substances every year. Britain so far gave no official answer to this proposal presented on January 6, Ivan Kulhanek said.

Also at the conference head of the Press Department of the Office of the Czechoslovak Government Presidium Miroslav Pavel denied a report, carried by the West German FRANKFURTER ALLGEMEINE ZEITUNG on January 3, that scientists had found tectonic deformations at the site of the Temelin nuclear power plant, under construction in South Bohemia. He said geological research had confirmed the site was suitable for construction inter alia because this area was not threatened by any earthquakes. Also untruthful is another part of the report regarding damage caused by corrosion at the nuclear power plant at Jaslovske Bohunice, West Slovakia. No accident or leak of radioactivity took place there, Miroslav Pavel said.

Reluctance To Send Experts Denied

AU1301152089 Prague RUDE PRAVO in Czech 11 Jan 89 p 7

["(zar)"-signed report: "Uninformed Radio Station?"]

[Text] The West German Deutschlandfunk is shamelessly claiming that it was only "after repeated insistence by the British Government" that we "finally decided to dispatch experts to London, to help investigate the [Pan Am] aircraft crash." But, as was already officially announced, the Czechoslovak Government had offered the British side assistance in identifying the explosive deposited on board the U.S. passenger aircraft that crashed a few days ago in Britain. The delay in flying out our experts was due to hesitation on the part of the British authorities. That is why the statement made by Deutschlandfunk is more than peculiar. Could it be due to a lack of proper information, or to something quite different?

Exiled Ex-Citizens Denied Reentry to Country

AU1201183789 Vienna Domestic Service in German 1700 GMT 12 Jan 89

[Susanne School report on the attempt of 10 exiled Czechoslovaks, who are now Austrian citizens, to obtain entry visas at the CSSR border on 12 January—recorded]

[Text] The trip to their former homeland lasted for a little less than 1 hour and, out of necessity, was restricted to the Czechoslovak customs building at the Berg-Bratislava checkpoint. Although the 10 travelers had correctly completed their applications for visas and were able to prove that their legal relations with the CSSR have been settled, as explicitly requested by the agreement [between Austria and the CSSR on the procurement of visas directly at the border], they were not permitted to enter the CSSR. In this specific case, the claim concerning the regulation of legal relations with the CSSR does not mean anything but an obligation for the affected persons to prove that they have been denaturalized by the CSSR. This was not difficult, especially for the prominent participants in the trip like Pavel

Kohut, because they had been expatriated by the Czechoslovak authorities. Despite this, the border remained closed for the entire group. The customs officials told philosopher Jiri Nemec that he is an undesirable person in the CSSR.

Pavel Kohut describes how the customs officials substantiated their decision:

[Begin Kohut recording] Two things were striking: first, a remark that we are not permitted to enter the CSSR, just as President Waldheim is not permitted to enter the United States. Second, a remark that made us very suspicious: that the things that have happened to us today are in accordance with the agreement between Blecha, minister of the interior, and Kinzel, CSSR minister of the interior. When we asked if specific persons had been named, we were told that it concerns the entire category. [end recording]

The Ministry of the Interior declares that there is no agreement whatsoever with the CSSR on this issue and that it is at the discretion of every state to permit or to deny entry.

Charter 77 Supporters Promise 'Human Torch'

LD1201183889 Prague CTK in English
1730 GMT 12 Jan 89

[Text] Prague Jan 12 (CTK)—The Prague evening paper VECERNI PRAHA tonight condemned efforts of a handful of organizers of anti-socialist and anti-state campaigns in Czechoslovakia to foment passions and hinder the effort of honest people to settle the everyday problems of the Czechoslovak capital.

The paper said that now "they do not hesitate to abuse even such a tragic and absurd act as was Jan Palach's death 20 years ago. In their cynicism they go as far as to indirectly encourage a similar act, as seen by the wide publicity given to an anonymous letter received by Mr Havel who anxiously confided it to the 'Free Europe' radio." The paper carried a facsimile of the letter sent to Vaclav Havel on behalf of a "mass suicides organizing committees" by a student signed as "Torch No. 1". The letter said inter alia that a number of students are determined to support the work of Charter 77 by resolute acts and in order to prove it "a human torch will flare up again on January 15 on Wenceslas Square in the centre of Prague."

VECERNI PRAHA commented that "the cynical 'invitation' by the Chartists and similar 'patriots' through Mr Havel who pretends to be a suppressed 'mental case' and at the same time a fighter for human rights and whose family is generally known to have set up during World War II what was in fact a Gestapo office in Lucerna (one of the large complexes in the centre of Prague it owned), where it met with informers, is too transparent for both young and old inhabitants of Prague to take seriously. In the 'invitation' to Wenceslas Square there is not a bit of humanity, it is moral blackmail. Every person that loves life and honest work realizes that similar meetings cannot be allowed and tolerated because they are at deep variance with the interests of honest people. We know they (meetings) are well paid, organized and supported from outside with a single goal—to hinder and throw doubt on the process of restructuring and democratization, and complicate the process of asserting new thinking in international relations. Every honest citizen of our socialist republic must resolutely reject these transparent and heartless tricks," VECERNI PRAHA said.

It added that the editorial office had received a number of phone calls and letters which, in their overwhelming majority, condemned this hazard to which Charter 77 and similar illegal groups resorted.

Papers Condemn Suicide Vow

LD1301085389 Prague CTK in English
0737 GMT 13 Jan 89

[Text] Prague Jan 13 (CTK)—The daily of the Central Committee of the Czechoslovak Socialist Union of Youth MLADA FRONTA today published a statement adopted at a session of the union's city university council and representatives of faculty organizations of universities in Prague on January 11.

The statement reacts to a letter of a Charter 77 representative transmitted by the Radio Free Europe station. The letter quoted an anonymous announcement of several Prague University students that one of them will demonstratively commit suicide as a political protest.

The statement recalled the tragic death of Czech student Jan Palach 20 years ago and stressed: "We on principle do not agree with any attempt to misuse the event which was a personal tragedy of one man for enforcing political targets. The act of suicide as such is an expression of a hopeless situation and cannot be considered as a positive solution to any problems. We are aware that the fact that many events in the past were passed over in silence contributes to such abuse. We cannot, however, accept attempts that are alien to us at present to be imputed to us."

The paper of the Czechoslovak Socialist Party SVOBODNE SLOVO also paid attention to the anonymous letter. It fully identified itself with the stand of the Committee of the Czechoslovak Public for Human Rights and stressed: "Life—not death—that is the categorical imperative which has always been valid and is valid also at present, the more so in a society whose mission and target is the humanism of modern, progressive mankind."

New Rights Committee Meets To Establish Goals

LD1201181989 Prague Domestic Service in Czech
1700 GMT 12 Jan 89

[Text] The Presidium of the Committee of the Czechoslovak Public for Human Rights and Humanitarian Cooperation held a meeting today to establish its goals

and to draft the rules, means, and methods of work, the thorough implementation of which will grant it the necessary domestic and international authority.

The committee has been founded at a time when preparations are underway for the new Czechoslovak Constitution. The committee will therefore work out and put forward its proposals on how to work international agreement on human rights, humanitarian issues, and other legal norms into the Constitution.

Although conditions for the work of the Committee of the Czechoslovak Public for Human Rights and Humanitarian Cooperation are only being gradually created, several dozens of letters have already arrived in which their writers trustingly describe their problems and demand their investigation or rectification. On behalf of the committee, the presidium expresses its thanks for this trust. The committee has been assured of the full political support of our chief representatives and believes that chief officials of state bodies will closely cooperate with the committee.

The Presidium of the Committee of the Czechoslovak Public for Human Rights and Humanitarian Cooperation finds it necessary to express a special opinion on one of the letters in which an anonymous writer announces his intention to commit suicide in a demonstrative manner as a political protest.

The committee appeals to this person and everyone who supports him in his decision to enter into a direct dialogue, because life is the most valuable human gift and right which we have been given. The committee says that such a demonstrative suicide is a very inhuman and immoral political argument, and that it grossly clashes with the basic principles of human rights.

The Presidium of the Committee of the Czechoslovak Public for Human Rights and Humanitarian Cooperation appeals at the same time to all bodies, organizations, groups, and citizens to prevent similar deeds in a spirit of humanity.

Private Entrepreneurs Granted Tax Concessions

AU1201111789 Prague RUDE PRAVO in Czech 24 Dec 88 p 2

["za"-signed report: "Lower Taxation of Income From Services; Announcement of the Federal Ministry of Finance"]

[Text] Prague—The Federal Ministry of Finance announces that it has issued a decree on taxation relief for citizens' income from services provided on the basis of national committees' authorization (Decree No II/4 - 19558/88 of 15 December 1988). The decree takes effect on 1 January 1989.

According to the decree, taxation of the income of citizens stemming from the provision of services on the basis of authorization by the national committee is being lowered 30 percent for the year in which they started their activity, as well as for the subsequent year. The lowering of the tax will also apply to assessing taxes for the year 1988. Taxpayers who started to provide services on the basis of permission from the national committee prior to 1988 will be granted this tax relief for the years 1988 and 1989.

In addition to this relief, taxpayers who receive income from the aforementioned source and who began their activity in 1988 or will only start it in subsequent years will be granted income tax relief of an additional 20 percent in the 1st and 2d year of operation, provided that the start of their activity was linked with the procurement or reconstruction of operational facilities on which they demonstrably spent more than Kcs50,000.

In a few days, the decree will be available at the financial sections of national committees. It will also be published in FINANCNI ZPRAVODAJ, in the Bulletin of the Czech SR Government for National Committees, and in the Bulletin of the Slovak SR for National Committees.

Knotek Assesses 1988, Challenges for 1989

AU1001214389 Bratislava PRAVDA in Slovak 31 Dec 88 p 1

[Article by Ivan Knotek, premier of the Slovak SR: "Turning Point Between 2 Years"]

[Excerpt] The dynamics of life demand that every citizen regularly ponder the results of his work and critically evaluate its shortcomings, profoundly study their causes, soberly appraise the results achieved, and learn to recognize their sources. Such thoughts are particularly necessary, even essential, at the turn of the year—not only in every working collective, but also within the framework of our entire state and our two republics.

At the close of the year which is now drawing to its end, we are justified in stating with appreciation—on the basis of the results achieved throughout this year—that after the CPSL Central Committee session of January 1988, which had worked out the resolution of the seventh CPCZ Central Committee session to suit our conditions, we could note increased activity on the part of party, trade union, and youth union organizations, of working collectives, and of management staffs in many economic organizations. This was also unambiguously expressed in the fact that the branches under Slovak SR Government management achieved better results for this year than during the first 2 years of the Eighth 5-Year Plan. On the last day of the year, we can say that we in the Slovak SR will reach the goals set by the production plan for our industry, building industry, agricultural-food complex, and exports to socialist countries. Certain progress was also noted in the fulfillment of quality indexes, particularly in adjusted value added and

in profits. This was positively reflected in Slovakia's increased share of the revenues of the CSSR state budget. For all the positive results achieved in our creative work this year, while implementing the CPCZ's socioeconomic intentions in practice, we owe sincere gratitude to and recognition of every citizen, in keeping with his share in the successes achieved.

No workplace, not even the best one, should be blinded by the positive results, which we appreciate and for which we thank their creators, and thus fail to see the negative phenomena that persist. This particularly applies, for instance, to the tension between resources and actual requirements, to inadequately mastered tasks in capital construction, to the sluggish improvement in the quality of products, labor productivity, and effectiveness, to shortcomings on the domestic and foreign markets, and to problems concerning linking our economy to the international division of labor, particularly with the USSR and other countries of the socialist community.

Together with you, esteemed fellow citizens, I want to express the conviction that we can no longer benevolently and inactively observe how production continues to be irregular and how its structure is out of tune with the required development of our national economy—which is negatively reflected, for instance, in the growth of stocks that are not required or of immobilized values, but also in the inadequate way in which we meet the needs of production and of our domestic market. If, on the threshold of this year, the CPCZ and CPSL Central Committees stressed the need to show far greater courage in overcoming inflexibility and adherence to routine and to various stereotypes in management work, to overcome endeavors to shift the responsibility for decisions to others, and to fight bureaucracy and complacency on all levels; and if the top party and government agencies stressed the need to comprehensively consolidate civic and working order and discipline, to be more purposeful in developing and utilizing both the working people's creative initiative and socialist competition, aimed in particular at emphasizing adherence to the quality indicators—then now, at the change from the old year to the new, we must realize that in the new year which begins tomorrow, everyone—all functionaries, all places, all workshops, plants, and enterprises, all institutes, bureaus, and ministries, and the entire government—should make fuller, more comprehensive, and enterprising use of the conditions created by a number of measures, within the framework of economic restructuring and of the intensification of socialist democracy, so that these lead to a NEW INITIATIVE [preceding two words published in uppercase]—an initiative in which each of us in his job, and all of us in the collectives in which we work, make full, total use of our rights. This should lead to a responsible attitude toward our duties toward society, as determined by the plan or by contractual obligations. I emphasize, esteemed fellow citizens, the word rights—because rights are, for instance, the basis of the law on state enterprises. But, of course, we must also be aware of responsibilities, including the realization of financial autonomy. Broad rights must be balanced out by responsibilities. That is precisely why—proceeding from the unambiguous demands of our citizens—we must consistently promote the principle of every employee's personal responsibility, so as to turn it into accepted practice in the government, in the ministries, and in all management and control agencies, enterprises, and workplaces. We must penalize every manifestation of indifference or passivity, and even more so all slipshod work, regardless of the office held by the person in question. On the other hand, and in the very same atmosphere of a broad flow of information to the public, we must show appreciation for all enterprising, responsible, creative approaches shown not only by management staff, but above all by outstanding working collectives. We must demonstrate our recognition of acts of innovation. On a broad practical basis, and with a broader flow of information to our fellow citizens, we will be pushing through such well-proven knowledge as the fact that order and discipline are the first and foremost prerequisites for a skillful utilization of the working people's creative abilities. By purposefully orienting these abilities, we will be providing for the far more comprehensive satisfaction of the needs of our society, while simultaneously raising to a higher level the social, cultural, and economic legacy of our nations. [passage omitted]

Director of Slusovice Agrokombinat Interviewed

AU1201204189 Prague RUDE PRAVO in Czech 7 Jan 89 p 3

[Interview with Docent Eng Frantisek Cuba, director of the Slusovice agrokombinat united agricultural cooperative, by Zdenek Hoffmann: "When One's Own Resources Will Not Do; With Frantisek Cuba on the Application of Scientific-Technical Development in the Agrokombinat Slusovice United Agricultural Cooperative"; date, place not given—first two paragraphs are RUDE PRAVO introduction]

[Excerpts] Some time ago reader Bohumil Piterka from Drahanovice in Olomouc District turned to us with the following request: "I welcome the newly introduced service for readers, the 'At a Reader's Wish' column, and I would like to see an article on the Slusovice agrokombinat united agricultural cooperative, on the origin of its management methods, on its remuneration policy, organization, and so forth." We respond today to his request, which is in accord with the interest of many other readers.

Finding the key to high labor productivity and production efficiency is no easy task. The slow practical application of the advances of science and technology continues to be the main impediment. Despite this, many organizations are achieving very good results in exploiting scientific-technical development. One of them is the Slusovice agrokombinat united agricultural cooperative. What methods does it use? Can the experiences of this

cooperative be applied in other enterprises as well? These were the questions that we asked Docent Eng Frantisek Cuba, candidate of sciences and director of the cooperative.

[Hoffmann] What are the root causes of your success in the development and application of science and technology?

[Cuba] The word success is imprecise and needs to be specifically defined. What someone regards as normal or poor performance can be termed a success by someone else. [passage omitted]

[Hoffmann] What part is played by science and technology in the growth of production and profits in your cooperative?

[Cuba] We have been increasing both these indicators by an annual average of 30 percent in recent years. Approximately 25 percent of our growth in profits and output is accounted for by new investment, 21 percent by increases in the labor force, and 54 percent by scientific-technical development.

[Hoffmann] Could you specify the sources and origin of the scientific-technical advances used in your cooperative in greater detail?

[Cuba] The application of the results of our own enterprise research has about a 24-percent share of our scientific-technical development; the copying of foreign products 21 percent; the utilization of scientific-technical information 16 percent; the purchase of new technology abroad 15 percent; the utilization of working people's initiative another 15 percent; and the application of the results of Czechoslovak research 9 percent. At the same time, about two-thirds of our in-house research is based on information from abroad that we try to apply to the needs of the cooperative. [passage omitted]

[Hoffmann] Is the 9-percent share of the results of Czechoslovak research not too small?

[Cuba] No country is capable of ensuring scientific-technical development on its own. Czechoslovak research can deal with 10 percent of the tasks at the most. For all the rest we look around in the world. Here is the foundation of the success you have asked about.

[Hoffmann] The quality of the application of science and technology in production depends chiefly on people and their qualifications. How can you influence this aspect of the matter?

[Cuba] The structure of our labor force does not differ from that of other enterprises. We employ about 650 university and college graduates, 16 candidates of sciences, and 2 doctors of sciences. How do we influence this structure? By means of regular evaluation we have managed to select a sufficient number of employees who are suited for implementing scientific and technical programs.

[Hoffmann] You employ a number of top-level specialists. How do you explain their interest in working in your cooperative?

[Cuba] Some 10,500 people applied to join us in 1988. About 700 of them have been hired, that is, fewer than 7 percent. Most of them were not top-level specialists but rather rank-and-file employees for our construction plants, chemical and biochemical production, and the like.

We bring up our top-level specialists ourselves, mostly from secondary school and university graduates. Some 250 of them applied to join the cooperative, of whom we hired about 230. In other words, almost every secondary school or university graduate gets a job here. First he undergoes 6 months of on-the-job training, whereupon he is assigned a technical or managerial post. [passage omitted]

[Hoffmann] The inadequacy of the material and technical base represents a frequent barrier to research and development....

[Cuba] This problem is not that important for us. If some materials or resources are not made in Czechoslovakia, we must import them from abroad. This is why the program of foreign exchange generation, which enables us to purchase technological equipment and some materials, is becoming increasingly important. The cooperative is therefore building workplaces whose specific task is to generate foreign exchange.

[Hoffmann] Could your results be better? What hampers you?

[Cuba] The things that hamper us most are the complicated conditions governing cooperation with foreign partners and the shortage of funds. Scientific-technical development is not possible without extensive and intensive cooperation with foreign countries. Our system of cooperation is very slow and cumbersome. The high levies represent another impediment. The application of scientific and technical advances usually yields great benefits, but it is also very cost-intensive. There is usually a shortage of funds for implementing large programs—that is, those that yield the best returns. Funds are scarce because the state takes away from the enterprises the crucial part of profits. The 50-percent tax on wages is correct, in my opinion, but the 50-percent tax levied on profits is not correct. In assessing the base for the profit tax, it should be possible to deduct the cost of the implementation of scientific and technical programs, as is the case in the majority of leading capitalist countries.... [passage omitted]

[Hoffmann] Could you mention the example of an unsuccessful program, which you later abandoned?

[Cuba] We were building a factory for the production of reading heads [for computers], for example. Because it took several years to have the building license processed, however, we drifted into a situation in which going ahead with the project would have brought losses. Each program is profitable only at a certain time. [passage omitted]

[Hoffmann] Do you think that your experiences and methods can be applied in other economic organizations as well?

[Cuba] Each enterprise can introduce them instantaneously, from today.

[Hoffmann] You depend, however, on foreign exchange funds, and not every production organization has the same opportunities [to generate foreign exchange] as you do....

[Cuba] Theoretically they do, but in practice it really is far more complicated. Each enterprise can generate foreign exchange. On the basis of a government decision they can obtain permission to engage in foreign trade activity, or they can establish a joint venture with foreign partners. Moreover, we have a whole network of foreign trade organizations whose obligation it is to ensure the export of the merchandise of individual enterprises.

[Hoffmann] How should such an enterprise proceed?

[Cuba] First it must find an article that can be exported. It must analyze its own potentials and select merchandise that can be exported, even if the export is unprofitable. Once it begins to export and generates some foreign exchange, it can take the next step and start building a special production facility to generate foreign exchange. We have many such production capacities in our cooperative, such as a robot-equipped plant for the production of pallets, whose task is to export Kcs70 million worth of goods in foreign exchange a year; a plant for the production of regranulation products [regranulat], whose task is to produce between Kcs40 and Kcs50 million in foreign exchange; a container production plant, and the like.

[Hoffmann] On 1 January 1989, the new economic mechanism went into force for all organizations of the agro-food complex. How would you evaluate the new conditions for the development of science and technology and for the development of production that arise from its application, compared with the "old" conditions?

[Cuba] If we use 100 as the coefficient for the optimal conditions for the development of an enterprise and, by the same token, for the development of science, then the conditions established by the old economic mechanism would be rated as 10 and the conditions established by the current new economic mechanism as 25. Much work therefore remains to be done for us to work our way up to the required level. It is gratifying that the CPCZ Central Committee and the federal government have recently made a number of weighty decisions. However, changes must also come to pass in the lower-level management agencies, which continue to operate in the old way.

[Hoffmann] Thank you for the interview.

GDR Citizens Take Refuge in Berlin FRG Mission

Vogel Enlisted as Mediator

LD0801180289 Hamburg DPA in German 1733 GMT 8 Jan 89

[Excerpts] [No placename as received] (DPA)—Informed circles in East Berlin confirmed this evening that four GDR citizens who wanted to emigrate have taken refuge in the FRG permanent mission. According to informaiton from the ARD [First German Television] studio in East Berlin, the four are a couple and two men. They are reportedly not from East Berlin. There is no information about their ages or professions. [passage omitted]

The GDR authorities have promised the would-be GDR emigres immunity from prosecution and re-examination of their applications to emigrate if they leave the permanent mission voluntarily. This is reported by ARD's newscast. However, the four GDR citizens refused to accept an exit visa for a later date. East Berlin lawyer Wolfgang Vogel has meanwhile been brought into the negotiations. Vogel has acted as mediator in similar cases in the past.

DPA Updates Situation

LD1001233789 Hamburg DPA in German 1637 GMT 10 Jan 89

[Excerpts] Bonn (DPA)—A large group of GDR citizens has been trying for the past few days to obtain permission to leave for the West via the permanent mission in East Berlin as well as Bonn embassies in East European countries. According to an informed party in Bonn it was said today that yesterday in East Berlin almost 20 GDR inhabitants had "taken up positions" in the permanent mission. According to the sources six had done so in Prague and one in Bucharest. Several GDR citizens are said to have already left Bonn's diplomatic representations. Exact information on the numbers could not be obtained.

Government Spokesman Friedhelm Ost as well as spokesman from the ministries responsible also declined today to give concrete details about the events. No information was given about official humanitarian efforts in the interests of those affected. [passage omitted] Lawyer Vogel spent 3 and ½ hours in the permanent mission in East Berlin this afternoon. In reply to questions, he said afterward that he could not make a statement. "Pumping me for information will do no good. I am saying nothing," he stressed. From the permanent mission there was "no comment."

'No Punishment' for Refugees

LD0901131789 Hamburg DPA in German 1223 GMT 9 Jan 89

[Excerpts] East Berlin (DPA)—The GDR authorities have assured the three men and one woman who wish to emigrate, who are in Bonn's Permanent Mission in East Berlin, that they will not be punished. "They may leave the building, nothing will happen to them, they are at no disadvantage," Wolfgang Vogel, an East Berlin lawyer acting as mediator in such cases, said today. He also stated this to the permanent mission. [passage omitted]

Vogel referred to the new GDR conditions for emigration, and stated that the GDR authorities will not allow themselves to be "pressured" by such actions. "That just doesn't work." The only way available is to use the new emigration regulations. The persons concerned in the permanent mission had "not availed themselves of these possibilities." They had lodged applications for emigration, but these had to be renewed in accordance with the new regulations, so that the applications could be processed. [passage omitted]

Another five GDR citizens seeking to emigrate to the West are claimed to have fled to the Federal Republic's Permanent Mission in East Berlin. The Tuesday [10 January] edition of 'BILD' reports that there are now a total of nine GDR citizens in the building trying to force their emigration to the Federal Republic. The newspaper reports that a further six GDR citizens had sought refuge in the FRG Embassy in Prague. [passage omitted]

Further on GDR Citizens

LD1001144589 Hamburg DPA in German 1400 GMT 10 Jan 89

[Text] Hamburg (DPA)—According to the newspaper BILD, four GDR citizens are currently in the FRG Embassy in Bucharest. According to BILD they are prepared to leave the building only if they are permitted to leave for the Federal Republic.

Nine GDR citizens are currently in Bonn's Permanent Mission in East Berlin. Another six GDR citizens have taken refuge in the Prague Embassy.

So far the Federal Government has refused to comment on all the incidents. East Berlin lawyer Wolfgang Vogel, who has mediated in such cases in the past said on Monday that the GDR authorities had promised impunity to the GDR citizens in Bonn's permanent mission. At the same time, he pointed out that the GDR authorities would not be put under presure by such actions. For those concerned, there is only the official way via the new travel regulation.

Press Views Refugee Flight

AU1001100689 Cologne Deutschlandfunk Network in German 0605 GMT 10 Jan 89

[From the press review]

[Text] FRANKFURTER ALLGEMEINE asks: What will happen to the Germans who fled into the building of Bonn's Permanent Mission in East Berlin? Lawyer Vogel, an experienced mediator of the GDR authorities for what has long been euphemistically called humanitarian cases, has assured them that they will be exempt from punishment and that their applications for emigration will be reconsidered. This does not mean that they will certainly be permitted to leave the country. If the refugees are not satisfied with this, Bonn will hold negotiations with East Berlin, which might be protracted. The FRG Government has to do everything possible to enable the refugees to come to the FRG. However, the price may be high, FRANKFURTER ALLGEMEINE points out.

The daily DIE WELT explains: The wish of the GDR's people for freedom, for opportunities to travel, for human dignity can be eliminated neither by gunshots nor by the activities of the State Security Service. The latest escape attempts and the would-be emigrants in the FRG Mission in East Berlin prove this once again, even though the SED rulers should know it by now. The GDR travel regulations, which have come into force on 1 January, are to become a new, small valve for the internal pressure. However, first, the people obviously do not trust this, and second, small solutions are not enough; they just make all the more obvious the anachronism of East Berlin's basic orientation of putting its own citizens under trusteeship, like in the Middle Ages, even though the GDR is right in the middle of civilized Europe. Thus writes DIE WELT.

RHEIN-PFALZ from Ludwigshafen states: The fact that, despite the latest GDR travel regulations, people are looking for a way out of the country via the FRG's Permanent Mission gives food for thought. With these regulations, those in power in East Berlin hoped to reduce the pressure for emigration, which at least promises some sort of rule of law. Obviously, this has not been possible. There are reasons for this. The people in the GDR do not trust those who are in power. All too often they have seen how the party and state leadership has confidently put itself above law and order, which after all also exist in the GDR. The way in which the authorities have been dealing with young Christians, with the churches, and with Western journalists has left its traces in the minds of the GDR's people. How can a state which ignores its own laws in such a way hope for trust when, for once, it adheres to the rule of law?

After the RHEIN-PFALZ the BRAUNSCHWEIGER ZEITUNG: Why does the FRG Government shroud such affairs with embarrassing secrecy; why is it kept secret that Germans have fled into our mission in East Berlin, thus exercising a right which, after all, they have according to our Constitution? Such behavior is not fit for a free state. Bonn's tiptoeing relativizes the value of the FRG's supreme goal as a state—freedom. Why should the world not learn about what human dramas, what tragedies are taking place in a divided Germany? Why should it not know that the urge for freedom has not been suffocated in that half of Germany that is under Communist rule, either? A zealous adaptation to the rules of the game of the SED dictatorship in this and in other cases leads dangerously close to complicity. This was the view of the BRAUNSCHWEIGER ZEITUNG.

Lawyer Refuses Comment

LD1101134989 Hamburg DPA in German 1301 GMT 11 Jan 89

[Excerpt] East Berlin (DPA)—East Berlin lawyer Wolfgang Vogel has described reports whereby at least one GDR citizen hoping to receive permission to leave for the West sought refuge in the FRG Embassy in Bucharest as "figments of the imagination." Wednesday Vogel called his information sound and reliable. The lawyer refused to comment on the situation of the GDR citizens in Bonn's Permanent Mission in East Berlin or in the Prague Embassy. According to unofficial sources in Bonn, some 20 GDR citizens inhabit the mission or they may have left it again. In addition, it is also said that there are six GDR citizens in the embassy in Prague. [passage omitted]

GDR Citizens Leave Mission

LD1101183889 Hamburg DPA in German 1808 GMT 11 Jan 89

[Excerpt] East Berlin (DPA)—All the GDR citizens who want to leave the country and who took refuge in Bonn's Permanent Mission in East Berlin, with some of them having been there for several days, have left the mission.

This was confirmed this evening by both East Berlin lawyer Wolfgang Vogel and Deputy Chief of Mission Franz Juergen Staab. Nothing has so far been said about the exact arrangements.

"The case is solved," Wolfgang Vogel told waiting journalists after a talk in the mission lasting over 3 hours. He declined to say whether the GDR citizens had been assured of immunity from punishment. Staab said that they had all left voluntarily. The people wanting to leave the country had heard what the federal chancellor had said—that this was not the way to try to force the granting of exit visas. "I hope that everyone takes this to heart and that this does not happen again," Staab said. Staab declined to say whether a solution had been found which satisfied all those involved.

Vogel would not say how many GDR citizens had still been in the Bonn Mission today. He also said nothing about whether they had already returned to their homes. "You won't worm anything more out of me."

It is also not yet known how and when they left the mission. No more GDR police and security personnel were posted outside the mission than there have been during the past few days.

Staab-Honecker Talk Resolved Issue

LD1201142489 Hamburg DPA in German 1317 GMT 12 Jan 89

[Text] East Berlin (DPA)—A conversation between Erich Honecker, GDR Government and party leader, and Franz Juergen Staab, deputy head of Bonn's permanent mission in East Berlin, made a decisive contribution to the fact that the GDR citizens seeking to leave the country left the mission in East Berlin yesterday. Unconfirmed reports spoke of up to 20 GDR citizens. Staab spoke to Honecker at the New Year reception given by the GDR State Council chairman.

Until now nothing was known about the approximately six GDR citizens wishing to emigrate who sought refuge in Bonn's Embassy in Prague.

In the East Berlin case, three men and a woman refused on 2 January to leave Bonn's mission. In the following days other people wishing to emigrate came to the mission. Then all of them—some after only a very short stay—left the building again in small groups yesterday, unnoticed by the public.

Previously, East Berlin lawyer Wolfgang Vogel, who acts as a mediator, visited the mission for talks several times. He assured the "occupiers" of freedom from punishment on the part of the GDR authorities.

The people wishing to emigrate returned to their homes after obviously very difficult negotiatons. "We sat in one boat. The one side was lower in the water than the other," was how Vogel described the talks. The lawyer stated that the press publications were perhaps beneficial in solving the problem.

Federal Chancellor Helmut Kohl, Staab, and Vogel unanimously urged them not to force permission to leave the country by means of such spectacular operations. "I hope that everyone takes this to heart and that this does not happen again," said Staab. Vogel previously stressed that the GDR will not allow itself to be "pressured" by such actions. The new regulations for leaving the country are valid for every GDR citizen: old applications to leave are not valid and must be made again, according to the decree.

New GDR Exit Regulations Cause Problems

AU1201152389 Frankfurt/Main FRANKFURTER ALLGEMEINE in German 12 Jan 89 p 4

[Report by Peter Jochen Winters: "Application Forms for Would-Be GDR Emigrants Are All Gone"]

[Excerpts] Berlin, 11 January—The GDR authorities' recent request that new applications should be made has been a cause of great concern and, in some cases, even desperation among those GDR citizens who applied to emigrate to the West years ago. This may be one of the reasons why in recent weeks GDR citizens have sought refuge in the FRG permanent mission in East Berlin and in the FRG Embassy in Prague in order to force emigration. They do not trust the GDR authorities and obviously believe that the new regulations will reduce rather than enhance the chances for legal emigration.

Since the new regulations governing travel and permanent emigration to the West came into force on 1 January, the responsible "Departments for Domestic Affairs" issue applications forms for emigration to the West. These have to be filled in and submitted to the authority, providing details and reasons, even by those who applied for emigration several years ago and who have been stalled up until now. On the premises of some of these authorities desks were set up in entrance halls and corridors where these forms are issued. Since everybody who asked for a form actually got one, all the forms were gone after only a few hours. Many would-be emigrants were put off until later.

For those who had already applied for emigration quite a long time ago, the request to submit a new application with all the necessary papers came as a shock. Some of them had been put off during the last months of the past year with the remark that they would get an answer by the end of the year. If somebody filed his emigration application years ago, lost his job or feels that "he is the fifth wheel" at his workplace, if somebody has increasingly withdrawn from public life or is avoided by his former friends and acquaintances, if somebody has virtually been sitting on his packed suitcases and has put an end to his existence in the GDR and checks his mailbox several times a day to see whether the letter from the authority has finally arrived, then he not only feels that he has been led down the garden path but that he has been treated in a most inhumane way if he now receives a new application form, as if nothing at all had happened before. Authority officials usually give no explanations. They do not say whether the applicant's former wait will be taken into account, whether the examination of the application will again begin from scratch, or whether filling in the new forms is only a formality. They also remain silent about whether somebody who has been waiting for years to be permitted to emigrate will ultimately have his application turned down, because his case is not eligible or eligible only with difficulties under the criteria that have been established by the new regulation.

What the would-be emigrants will be told is that now they have a right to apply for permanent exit and that they cannot be prosecuted simply because they applied for emigration. As a rule, when they receive the application forms, the applicants will also be told on what day they can return their filled-in application form. [passage omitted]

For the great number of would-be emigrants in the GDR, especially for those who have been trying to emigrate to the FRG for years, the new regulations are a reason to be pessimistic and worried, rather than hopeful. If the GDR leadership wants to avoid a continued increase in the number of would-be emigrants who resort to desperate steps such as occupying an embassy, then it will have to make clear in practice that it interprets the new regulation generously and not restrictively. The best evidence of this will be provided by the way the GDR deals with "former cases," that is to say, those applicants who have been trying for years to be permitted to emigrate to the West.

Expected Protest Puts Security Organs on Alert

AU1201172289 Hamburg DIE WELT in German 12 Jan 89 p 4

["HRK." article: "Increased Alert Before 'Militant Demonstration'"]

[Text] Berlin—East Berlin security organs have been put on increased alert for the weekend. On Sunday [15 January], the national "militant demonstration" will be held on the occasion of the 70th anniversary of the assassination of Rosa Luxemburg and Karl Liebknecht. Headed by Erich Honecker and all prominent figures of the party and state leadership, hundreds of thousands are to march in two "marching columns" to the "socialist memorial" at the cemetery in Berlin Friedrichsfelde or form lines along the route. SED Politburo member Joachim Hermann will deliver a speech at the cemetery. Public actions by independent groups and would-be emigrants were recorded for the first time on the occasion of the Luxemburg demonstration a year ago, on 17 January 1988. Quoting Rosa Luxemburg's "Freedom is always the others' freedom to think differently" they called for political liberalization in the spirit of Gorbachev and tried to join the ranks of the demonstrators. However, they were stopped by officials of the State Security Service and the People's Police.

These incidents were followed by a wave of arrests and deportations, the most prominent victims being the married couple Stephan Krawcyk and Freya Klier, Vera Wollenberger, and the Templins. These incidents led to ill feelings and controversy between the SED and the leadership of the Evangelical Church.

To prevent similar incidents at the demonstration on Sunday, comprehensive steps have been taken. "Troublemakers" who are known to the State Security Service have to expect their being prohibited from leaving their homes, and being permanently observed. It is mainly the "working people" from the national authorities that were ordered to form lines along the route of the march. At the May Day rally in 1988, close checks were carried out at the participants' assembly places, to prevent unknown people from joining the ranks.

The State Security Service laid out a wide-meshed "information net" some time ago in order to penetrate the milieu of the critics. Spying on prominent Pastor Reiner Eppelmann with the help of a listening device that was discovered in his office is obviously part of this. The "bugging attack" triggered off a hefty protest from the church leadership ("Severe infringement of the secrets of pastoral care") to the SED. Presumably, the authorities wanted to find out what Eppelmann's potential visitors had to recount about the "milieu."

Some time ago, the security organs banned the sale of spray cans—for fear of further slogans' being sprayed on house walls, some of which have "Gorbachev" written on them. Currently, spray cans are available only in intershops for hard West German currency. On Tuesday, a working group of the Evangelical Church sharply criticized the domestic conditions in the GDR. According to the papers that have been worked out in the context of the Ecumenical Assembly, the solution of social, ecological, and economic problems in the GDR is impeded by "restrictive measures and frustration." Surveillance by the state, a lack of legal certainty, and the premilitary training of young people have also come under criticism. The papers are to be revised at the Ecumenical Assembly in Dresden in April, and are then to be adopted.

Kessler Receives CSSR Air Force Commander

AU1301123389 East Berlin NEUES DEUTSCHLAND in German 11 Jan 89 p 2

[Text] Berlin (ADN)—Army General Heinz Kessler, SED Central Committee Politburo member and minister of national defense, received Lieutenant General Josef Remek, Air Force commander in the CSSR Ministry of National Defense, on Tuesday [11 January]. During the friendly meeting in the Defense Ministry, the interlocutors paid tribute to the close relations between both peoples and armies.

During the meeting, Army General Heinz Kessler gave a report on the GDR soldiers' contribution in implementing the SED's policy which is oriented toward the people's benefit and the safeguarding of peace. Referring to the Warsaw Pact's peace program and the Soviet Union's recent initiatives, he stressed the Army members' firm will to actively cooperate in the process of disarmament and detente and, jointly with the comrades-in-arms of the joint armed forces, protect the peoples' peaceful life at all times. Army General Heinz Kessler stressed that the members of the National People's Army Air Defense Forces will continue to make sure that the airspace is always reliably protected.

Lieutenant General Remek conveyed cordial greetings from Army General Milan Vaclavik, CSSR minister of national defense, which the GDR Defense Minister reciprocated in the same way.

Colonel General Wolfgang Reinhold, deputy minister of national defense and chief of the Air Defense Forces, took part in the talks.

Mittag, Beil Meet Austrian Economics Minister

LD0901161289 East Berlin ADN International Service in German 1516 GMT 9 Jan 89

[Text] Berlin (ADN)—A positive assessment of the overall relations between the GDR and Austria in 1988 was given by SED Politburo member Guenter Mittag during a talk with Austria's Economic Affairs Minister Robert Graf in Berlin today.

Economic relations play an important role in this, the deputy chairman of the GDR Council of State said. The good relations between the two states, Mittag said, are underlined by the official visit of Federal Chancellor Dr Franz Vranitzky, and his talks with GDR party leader and head of state Erich Honecker in the GDR in June 1988.

Federal Minister Graf confirmed that the economic relations between the two countries continued at a high level last year. He stressed that the structure of Austrian industry is taken fully into account and that many specialized medium-sized firms participate in this cooperation.

The organization of economic relations between the GDR and Austria for the year 1989 was the topic of an exchange of views between GDR Foreign Trade Minister Dr Gerhard Beil and Robert Graf, his Austrian counterpart, in Berlin today.

The interlocutors acknowledged the positive development of economic cooperation last year. Minister Beil briefed his guest on the tasks of GDR foreign trade for 1989. In connection with the economic agreement concluded for this year, which has been signed by Dr Guenter Mittag, Politburo member, SED Central Committee secretary, and deputy chairman of the GDR Council of State, and Federal Chancellor Dr Franz Vranitzky, he stressed that great attention will continue to be paid to foreign trade relations with Austria.

Robert Graf stated that in the future the Austrian Federal Government will also attach great importance to the development of economic relations with the GDR and will give the necessary support. Foreign trade enterprises and combines from the GDR have for years been reliable business partners for a considerable number of Austrian businesses.

Goetting Meets Iraqi President Saddam Husayn

LD1201042589 East Berlin ADN International Service in German 2127 GMT 11 Jan 89

[Text] Baghdad (ADN)—In Baghdad on Wednesday, Gerald Goetting, deputy chairman of the GDR Council of State and deputy president of the People's Chamber, was received by Saddam Husayn, president of the Republic of Iraq and chairman of the Revolutionary Command Council, for a friendly exchange of views.

During the meeting, the two sides underlined their farreaching agreement on international issues. Political dialogue was the dictate of the hour for all forces that support the preservation of peace and the maintenance of both international and regional security, irrespective of existing political, ideological, or religious differences.

In particular, Gerald Goetting, who outlined the GDR citizens' preparations for the 40th anniversary of their state, discussed the GDR's active peace policy. The Iraqi president expressed his high regard for the GDR's successful development.

He expressed his conviction that the GDR representative's visit will contribute to the further deepening of wide-ranging bilateral relations. Gerald Goetting and Saddam Husayn praised the state of their bilateral relations and declared the will of the two states to further expand them to mutual benefit.

The two men agreed that an improvement in the international climate will, at the same time, promote a peaceful solution to existing regional conflicts. Gerald Goetting stated with satisfaction that the guns have been silent in the Gulf for 5 months now, and that the two sides have begun talks on solving contentious issues under the auspices of the UN secretary general. It now is important to advance this progress through a constructive approach taking into consideration the legitimate interests of the two sides. Saddam Husayn, who outlined in detail his country's position on the issue, spoke in favor of the immediate implementation of UN Security Council Resolution 598.

Tisch, Hungary's Nagy Discuss Trade Union Tasks

AU1201145789 East Berlin NEUES DEUTSCHLAND in German 10 Jan 89 p 1

[Text] Berlin (ADN)—Harry Tisch, FDGB National Executive Council chairman, received Sandor Nagy, general secretary of the Hungarian Trade Unions National Council (SZOT), for an exchange of views in Berlin on Monday [9 January]. The interlocutors briefed each other on the trade unions' current tasks in further shaping socialism in their countries, and discussed bilateral problems as well as current issues of the international trade union movement.

Harry Tisch gave a report on how the trade unions in the GDR contribute responsibly to implementing the ambitious economic and social projects in further shaping the developed socialist society. He pointed out in particular the good results achieved in carrying out the course of the unity of economic and social policy, as well as the further development of the working people's democratic codetermination.

Sandor Nagy explained the resolutions adopted by the Hungarian trade unions' national conference and the tasks resulting from this for the Hungarian trade union movement in the further socialist building. He paid special attention to the close connection between the economic reform and the development of socialist democracy, and commented on current problems related to the representation of the working people's interests by the trade unions. The FDGB National Executive Council chairman and the SZOT general secretary confirmed the usefulness of the comprehensive comradely exchange of views between the fraternal trade unions both in the bilateral and in the multilateral area.

Both interlocutors stressed the growing responsibility of trade unions for the preservation of peace. They advocated continuing support for the disarmament process, which has begun, and for a change in international relations from confrontation to cooperation through trade unionist initiatives, so as to make it irreversible.

The talks between the representatives of the two trade unions' executive bodies, which were held in a cordial atmosphere and comradely frankness, contributed to further deepening mutual understanding and cooperation between both countries' trade unions.

Press Publishes Economic Statistics for 1988

AU1001171489 East Berlin NEUES DEUTSCHLAND in German 7-8 Jan 89 p 1

[Text] East Berlin (ADN)—As a result of the achievements of the working people in implementing the decisions of the 11th SED Congress, the produced national income increased by 3 percent according to preliminary statistical data. To a considerable extent, the growth was influenced by the weather-dependent results of agriculture. Its contribution to the national income was 8 percent below that of the previous year.

In 1988 net output in the sphere of the industrial ministries rose by 7 percent and labor productivity also increased by 7 percent. Industrial goods production went up 3.7 percent. Production of consumer goods for the population was 6.9 percent above that of 1987. Inhouse production of rationalization means rose by 16 percent. Costs were reduced by 1 percent.

In 1988, too, the increasing capacity of the national economy formed the basis for further raising the people's standard of living; 219,243 apartments were newly built or modernized. Thus, living conditions improved for more than 658,000 citizens. Retail trade turnover rose by 3.9 percent compared with 1987. Services and repairs for the population went up 6 percent. The people's personal disposable income rose by 3.9 percent.

In the "Return funds to the state—Contribute to national income" initiative, the combines of industry, the construction sector, and transportation returned energy sources, raw materials, other materials, and financial funds at a value of M1.7 billion directly to the state.

In the construction sector, net output rose by 4.1 percent compared with 1987 and labor productivity by 4.8 percent. Costs were reduced by 0.6 percent. In industrial construction, the performance increase amounts to 2.8 percent. A total of 8,378 places in nurseries, 21,642 places in kindergartens, 1,930 classrooms, 137 school gymnasiums, and 526 workplaces for doctors were newly established or renovated.

In 1988 in agriculture 45.4 decitonnes of grain equivalent units per hectare were harvested. State procurement of animal products amounted to 2,710,000 tonnes of slaughter animals, 7,646,700 tonnes of milk,, and 5,017 million units of eggs. Forestry provided 10,975,000 cubic meters of rough timber; 22,150 hectares were reafforested.

The transportation sector hauled 2.5 percent more goods in inland transportation than the previous year. In order to increase railroad capacity, 358 km of electrified railroad track were put into operation. By completing the Angermuende-Pasewalk-Stralsund track, the Berlin-Stralsund line has been totally electrified. Maintenance and stabilizing work was carried out on 6,317 km of tracks.

In 1988 the posts and telecommunications sector increased its performances to supply information to the national economy and to the population by 3.6 percent, including 5 percent in telephone and teletype services. A total of 65,400 main telephone hookups and 685 counter terminals at post offices were newly installed.

In foreign trade the GDR achieved an export surplus of more than 3 billion valuta marks in 1988.

In implementing the economic strategy of the SED, the key technologies, in particular microelectronics, are increasingly gaining ground in all fields of the national economy. With the production of 57,366 office and personal computers, the computer basis has been further consolidated. In 1988 22,000 CAD/CAM work stations and systems were put into service and 15,000 industrial robots were newly installed. Compared with 1987, production of memory units for computer technology increased by 87,051 units and that of printers by 29,101 units. Production of microprinting equipment was up 28 percent, that of semiconductor parts 37 percent, and that of monolithically integrated circuits 57 percent above the previous year.

In 1988 207 economically important production facilities were newly put into service in order to strengthen the material - technical basis of the national economy. These include facilities for the production of:

—diodes, transistors, and high-voltage transistors in the VEB "Karl Liebknecht" Microelectronics, Stahnsdorf;
—pulse motors and minifoil memories in the VEB Robotron Accounting Machinery Works, Karl - Marx - Stadt;
—copper-coated steel wire in the VEB Rolling Mill, Hettstedt;
—extruders and jet moulding machines in the VEB Plastic Machinery Works, Schwerin;
—automatic washing machines in the VEB Washing Equipment works, Schwarzenberg;
—quartz clocks in the VEB Clock Works, Ruhla;
—fabrics for children's anoraks in the VEB Greika, Greiz, and Fashion Printing, Gera;

as well as for the production of raw brown coal in the open pit mines of Reichwalde, Seese - Ost, Klettwitz - Nord, Goitsche, Koeckern, and Groebern.

In the individual sectors of industry the following growth in net production and labor productivity per workday, and the following reduction in prime costs per M100 of goods production were achieved in 1988 compared with 1987:

	net production —in percent—	labor productivity	reduction in prime costs
Coal and energy	6.6	6.2	1.0
Ore mining, metallurgical industry, and potash	1.5	2.0	0.3
Chemical industry	7.8	8.4	0.8
Electrical Engineering,electronics	14.2	14.6	3.6
Heavy machinery and installation construction	5.7	6.6	0.4
Machine tools and processing machinery construction	8.2	8.9	1.2
General machinery, agricultural machinery, and vehicle construction	5.5	5.8	0.6
Light industry	7.6	4.9	0.6
Glass and ceramics industry	5.5	6.1	1.2
Bezirk-administered industry and foodstuffs industry	5.3	5.80.4	

Within bezirk-administerd industry the following development per workday in the growth of net production and the production of manufactured goods for the population, and the following reduction in prime costs per M100 of goods production were achieved:

	net production —in percent—	Manufactured goods for the population	Reduction in prime costs
Capital city of Berlin	10.8	0.9	2.0
Cottbus	4.6	5.5	0.8
Dresden	4.4	4.9	0.5
Erfurt	7.2	5.8	1.0
Frankfurt	2.7	24.0	0.4
Gera	8.2	6.5	0.6
Halle	5.0	8.5	0.8
Karl-Marx-Stadt	3.1	4.6	0.0
Leipzig	6.4	5.9	0.8
Magdeburg	8.5	6.7	1.2
Neubrandenburg	3.3	2.1	0.0
Potsdam	4.0	3.7	0.2
Rostock	7.7	5.5	1.0
Schwerin	8.5	7.2	1.6
Suhl	4.8	5.0	0.4

Boehme Inaugurates New State Library Director

AU1301114989 East Berlin NEUES DEUTSCHLAND in German 11 Jan 89 p 2

[Summary] Berlin (ADN)—Dr Dieter Schmidmaier, who has been appointed General Director of the German State Library, was inaugurated into office by Hans-Joachim Boehme, minister for university and technical school affairs, in Berlin on 10 January.

Cosmic Research Institute Director Appointed

AU1301114389 East Berlin NEUES DEUTSCHLAND in German 11 Jan 89 p 2

[Summary] Berlin (ADN)—Professor Heinz Kautzleben has been appointed director of the Cosmic Research Institute of the GDR Academy of Sciences. He will continue to exercise his functions as director of the Earth and Space Sciences Area of the Academy.

Geophysics Central Institute Director Appointed

AU1301114689 East Berlin NEUES DEUTSCHLAND in German 10 Jan 89 p 5

[Summary] Potsdam (ADN)—Professor Eckart Hurtig has been appointed director of the Potsdam Geophysics Central Institute of the GDR Academy of Sciences. Academy President Professor Werner Scheler handed the certificate of appointment to him in Potsdam on 9 January.

Merseburg-Bottrop Sister City Agreement Concluded
AU1001155689 East Berlin NEUES DEUTSCHLAND in German 7-8 Jan 89 p 2

[Text] Merseburg (ADN)—A sister city agreement with Bottrop was concluded by the Merseburg City Assembly. The ratification ceremony in the old city hall of Merseburg was attended by a delegation of the Bottrop City Council headed by Mayor Kurt Schmitz and City Manager Ernst Loechelt (both from SPD). On behalf of the citizens from Merseburg, Mayor Heinz Wagner emphasized that cooperation on the communal level can make an important contribution to detente, peace, and good-neighborly relations between the two German states. The City Council of Bottrop approved of the agreement on 16 December 1988.

Grosz Interview With Japanese Daily Cited

LD1001143789 Budapest MTI in English 1257 GMT 10 Jan 89

]Text] Tokyo, January 10 (MTI)—The partial withdrawal of Soviet troops from Hungarian territory is to commence within weeks, it was stated by Karoly Grosz, general secretary of the HSWP, in an interview with Japan's leading economic daily, NIHON KEIZAI SHIMBUN.

In the interview carried by the Tuesday [10 January] issue of the paper, Karoly Grosz expounded in detail on the intention of the Hungarian political leadership to accelerate mobility of capital and workforce, by way of breaking through the ideological barriers of the past. It also intends to intensify cooperation with the West, through efforts to meet the requirements of Western markets. The objective of making the Hungarian forint convertible was also formulated. He stated that market principles will be asserted, with minimal limitations, also in Hungary, where the ratio of private property could be considerably higher than at present.

The general secretary pointed out that Hungary will establish diplomatic relations with the Republic of Korea this month. He also spoke about the high-level cooperation between Hungary and the Democratic People's Republic of Korea, and that the establishment of diplomatic relations with the Republic of Korea will in no way alter the friendly relations between the two countries. Consequently, we would greatly regret if this step was considered by the DPRK as an impediment to our relations.

On the links between Hungary and Japan, Karoly Grosz stated, "We would like to draw on the Japanese experience of company management and production organization, its modern technology and scientific achievements. We are looking forward to receiving Japanese capital into Hungary," Karoly Grosz said.

Ten days ago KYODO news agency published an interview with Hungarian Prime Minister Miklos Nemeth.

Nemeth Interviewed on Government Style, Reform

AU1201120089 Budapest NEPSZABADSAG in Hungarian 31 Dec 88 pp 3-4

[Interview with Miklos Nemeth, member of the MSZMP Politburo and premier, by Balazs Hamori, NEPSZABADSAG deputy chief editor: "Interview With Miklos Nemeth on Change in the Government Style, on Coalition, and on the Danger of Ideological Cliches"; date, place not given—first paragraph is editorial introduction]

[Text] A new man in the premier's chair always gives rise to high expectations, rumors, hopes, and concern among the public everywhere in the world. This applies all the more so if the helm is taken by a new man in a country that intends to turn the ship in another direction, a country in which a representative of a new generation of politicians takes command of the bridge. Hopefully, the questions we asked Miklos Nemeth were not only dictated by journalistic curiosity but also expressed our readers' interest. Balazs Hamori spoke with the premier on behalf of NEPSZABADSAG.

[Hamori] In your first interview, given on the occasion of your appointment, you did not, surprisingly enough to many people, promise anything except hard work. Is it enough if the head of the government works hard? Are the expectations of the electorate not more oriented toward the results of this work? What does Europe's youngest premier feel in connection with the people's hopes for him?

[Nemeth] Indeed, I promised nothing but hard work, but I did not mean that this applies only to me. I am convinced that we need tough and coordinated teamwork in both the government and society to advance from the current deadlock. Not only in sports is it true that wherever a team emerges in the best sense of the word, results do not fail to follow, either. In my first interview, I said that we should build the lasting pillars of development. I gave clear signs of what I had taken upon myself, and also of the fact that joint results could be based solely on joint work. Obviously, Hungarian society has various hopes and expectations for me, and sometimes even contradictory expectations. Both now and in the future I will be striving to make my decisions and actions widely known and to avoid any uncertainty on what people can and cannot expect from me. I believe that only with such a clean political profile can I count on a broad consensus and support.

I Do Not Like the Expression "the Average Man"

[Hamori] The average man perceives the efficiency of a policy through his pocketbook, or—on this side of Europe—rather through the amount of goods he can put into his shopping bag. Is there, indeed, no alternative to the policy of reducing the people's purchasing power? Do you not fear a downward spiral of consumption and production?

[Nemeth] I do not like the expression the average man. I have not yet had the opportunity to meet with him. There are many kinds of people and communities living in Hungarian society today, people with various convictions, desires, and various interests. Indeed, everyone feels the efficiency of a policy through his pocketbook, but the efficiency of a policy is too complex to be expressed in forints. A political guideline cannot be legitimized by an increasing standard of living. A good example for this is the fact that the general increase in the standard of living in the West in the sixties led to an increase in social problems, rather than to a decrease in such problems. In Hungary, the standard of living is stagnating among major social groups, and it is deteriorating widely. Our most optimistic expectations in the

coming years enable us to hope only that we will maintain our present position, or at least that we will not slip down too much. It is not true that the government has decided to conduct a policy of reducing the purchasing power of the population. The government has committed itself in favor of an economic balance, stability, and restructuring; and a decrease in the purchasing power of the population is only an unpleasant side effect of this policy.

It is impossible to avoid this side effect with the current level of our economic performance. Therefore, we have to increase performance by improving incentives and the people's motivation. There is really no alternative to this, and therefore any government measures today, like the reform of ownership relations, changes in wage policy, competition regulations, and the development of a market economy, all represent a step in this direction. The development of purchasing power should also serve this goal, by permitting an increase in this purchasing power among those strata that are capable of performing better in the midst of the general decrease or stagnation.

We Should Also Learn To Accept Another's Fortune

[Hamori] A recently published article presented a model of a situation in which purchasing power is decreasing considerably in a given economy. In such cases, the standard of living of many people slips even lower or, to use a Budapest expression, they lose their place in the small box. This leads to tension, even to hatred between higher- and lower-level people. Do you have any idea of how to ease these tensions?

[Nemeth] In the current situation, purchasing power is increasing among certain strata, it is stagnating among other strata, and for the majority of people it is decreasing. It is always easier to endure common problems than individual or group difficulties. In the latter case, one also has to tolerate other people's good fortune and prosperity, in addition to the burden of one's own poverty. Undoubtedly, this leads to social tensions that can even appear in the form of hatred.

Such social tensions can be eased by all means. The consistent enforcement of the principle of performance is a cure to for problem. In other words, we can ease these social conflicts by striving to have regulations under which differences in income really express differences in performance, and not something else. Those differences deriving from differences in performance can and even should increase further. One should also keep in mind that inadequately valued performance can also lead to social tensions. The equal evaluation of different performances exacerbates rather than calms these conflicts.

In addition, easing the social tensions also requires a new social policy strategy. Such a strategy is currently being formulated. The basic problem is how to halt the decreasing value of social benefits by means of a more differentiated implementation of social considerations, from demographic policy to education policy and district and settlement development. If social benefits are really handed out to those who need them, then it will be possible to compensate these people for the decreasing value of social incomes. Increasing the role played by the "local social policy" and that of solidarity among the population is a key issue in making our social policy more efficient.

[Hamori] In his "Great Romulus," Durrenmatt asks the following question: What is preferable, a capital catastrophe or catastrophic capitalism? We also ask ourselves a similar question: What is preferable, a social catastrophe or catastrophic socialism? If we cure the almost catastrophic problems of our economy by means of market reforms, could these processes not turn into a social catastrophe, into a deep gap of social differences?

[Nemeth] I do not consider it at all correct to oppose a market economy and a socially efficient economy. On the contrary! A market economy is the only way of increasing performance, and thus the only way of avoiding a social catastrophe or a slow economic disintegration. We can avoid an intensification of social problems only by means of an efficient market economy. If accompanied by a proper social policy reform, this market economy does not lead to extreme differentiation. Experience shows that a slow process of economic disintegration causes far greater social and political shocks than are caused by making the economy more efficient.

At the same time, we must also clearly see that, as a result of a lack of political structure based on broad social pillars and built from below, there are still no guarantees of somehow regrouping the differentiating incomes originating from the market, by taxation or by other means, and according to the requirements of the majority of our society. Therefore, democratization is also inevitable from the viewpoint of distribution. A market that functions efficiently is only one guarantee for a proper distribution system; the other guarantee is a political system that explores the people's opinions, desires, and moods. A system of distribution that meets society's sense of justice can emerge only through the joint action of the aforementioned guarantees.

It is not the task of science or politics to devise a healthy system of incomes. The market should be in charge of differentiation, and the political will of the majority should be in charge of easing these differences.

[Hamori] Society is becoming increasingly differentiated not only as a result of the economic difficulties, but also of its own accord. The various social movements and new forms are precisely the result of this process. Thus, the success of any political power largely depends on the way it chooses its power base, the strata on which it relies. Does the government have such a base?

[Nemeth] One of the key issues of the current situation is whether the prevailing economic difficulties are really dividing society or not. I also notice signs of collaboration, ventures, and community organization in society. Thus, there is also collaboration and not only division in our society today. In my opinion, division has not yet fully emerged in our society. The danger of such a division does exist, but it can be avoided by means of a proper coalition policy.

For this, the activity of representing the people's interests should increase not only in the trade union movement, but also in other organizations and mass movements. Here the responsibility of the government lies precisely in coordinating and integrating these interests—and not the interests of some strata of society, but the interests of the entire society. The government should attain the necessary mass support for implementing the various and urgent tasks that have accumulated, and various social groups can represent this base, depending on the nature of problems that await solutions. The government should not have "favorite" strata, groups that it always favors, no matter what. The fact that we should devote particular care to the problems of young people, old people, and people who need assistance as a result of their social situation is another matter. However, this care should not be extended in order to win mass support! This would be unacceptable from both the political and moral viewpoints.

Intellectuals Are Also Working in the Government

[Hamori] One after another, the left-wing parties in the West have changed their base of support. They have recognized that they can no longer rely on the proletariat, which has lost its social influence, and only on the representatives of blue-collar workers, and they have recognized that they should seek support among white-collar workers, too. Do you see the need for such a change here too? What is the reason for the persistence of serious anomalies in appreciating white-collar workers, despite all the declarations made by the party and the government?

[Nemeth] The Western left-wing parties are indeed striving to keep pace with these realignment processes, with various results which I am not going to discuss here.

We have a similar task: to create harmony between the political guidelines and the realignment processes. The traditional support provided by the working classes continues to be important, but winning the support of active forces is a basic condition for political stability. At the same time, one should also notice that, in a differentiated society, it is impossible to make a decision that is favorable for all, nor can we strive to make such decisions. All we have to make certain is that government decisions do not regularly favor or afflict the same strata of society.

Serious anomalies have indeed developed in the conditions of white-collar workers, but only part of these anomalies derive from these people's low incomes. In addition, problems related to incomes do not exclusively derive from these people's rank as intellectuals. We are not talking here about a specific problem facing intellectuals, for the shortcomings of appreciation affect the workers and agricultural workers with outstanding or above-average performance the same way as they affect people active in intellectual endeavors, culture, and science. In this respect, the government can create only the basic conditions. The government will start creating these conditions in 1989 by changing its wage policy; a comprehensive wage reform is also being worked out. Thus, a performance-oriented wage system that carries incentives will develop as a result of a bargain between the enterprise leadership and the trade unions.

[Hamori] How serious a threat does the premier consider the slogan carried by the arts and humanities students at their demonstration in Budapest: "We Will Teach Your Children!"? The erosion of the educational system and the impoverishment of culture is perhaps not so much a matter of money as a result of a lack of political confidence, as if politics were still acting in the spirit of the Mayakovskiy lines: "I am afraid of you, intellectuals. The radish is red only on the outside."

[Nemeth] I will start my answer from the end. There are also intellectuals working in the government. Therefore, it is impossible to rigidly differentiate between the efforts and activity of the intellectuals and of the government. The government requires different views and thoughts. Critical observations are often useful, and obviously helpful in nature, in most cases. I consider the aforementioned separation as artificial in the party, too. A valuable part of the intelligentsia are party members and thus, the relations between the intelligentsia and the party are partly internal relations and partly relations between the party and society. Unfortunately, the Mayakovskiy lines quoted above aptly characterize certain phases and problems in the relations between politics and intellectuals over the past decades. I notice similar phenomena and traces of old wounds in my new function, too. I will strive to create relations of dialogue and cooperation with every major intellectual workshop, completely irrespective of the proportion of party members in that particular organization.

There is no lack of political confidence behind the current problems and symptoms of malfunction of our educational system, but other reasons that, at first sight, seem to be ideological in nature. I also think here of differentiation between productive and nonproductive activity, a process that has given more prestige to manual labor over intellectual activity. At first sight, a residual structural development policy in which education development has always played a secondary role seems to have ideological roots. However, in my view, there have always been lobbying efforts behind the ideological figleaf, efforts that forced precisely social interests into the

background. We have to break this kind of egotism. Developing society's intellectual potential and encouraging and motivating intellectual workers are decisive elements of society' adjustment and development. Therefore, we have to create an education policy strategy which is suitable to become the major factor of technological, economic, and social renewal.

One Cannot Live on Support

[Hamori] There is no chance of developing a market economy as long as the current extent of budget distribution and withdrawal prevails and the enterprises make a good living out of budget allocations. Does the government intend to reduce the centralization of incomes?

[Nemeth] Yes, we are determined to do this. Unfortunately, the extent of budget withdrawals is an inherited factor that is very difficult to reduce in a short time. The government has worked out a 3-year program for reducing subsidies, but this will only be enough to reduce and eventually halt the current increase in our budget deficit, but not to reduce taxes. Even so, price increases which will seriously burden the population will inevitably come into effect.

However, we are also working on a comprehensive state management reform aimed at reducing tax burdens. Our goal is to thoroughly review our spending and to decentralize the decisionmaking authority and institute broad social control over decisionmaking. However, we will be able to reduce taxes and surrender income from taxes only if the budget deficit stops increasing simultaneously, because we are no longer able to finance this deficit from foreign sources. If the budget deficit grew nevertheless, the enterprises would receive less credit, and we would also be unable to avoid an increased rate of inflation.

As for the belief that enterprises are making a good living out of budget subsidies, well, I no longer find this a reality. Subsidies were concentrated on individual areas: on consumption, the mining industry, and on food production. Industry, for example, without food industry, does not receive any support, and we allocate the existing subsidies according to predetermined rules, not on the basis of lobbying. There are certain subsidies, like the socialist pricing subsidies, which are independent of the activity of individual enterprises and which are derived from the contradictions inherent in the CEMA price system.

At the same time, I do not agree with the position transpiring from the question according to which the market can become lively only following a considerable decrease of budget concentration. I can see opportunities for market relations to develop also in the period until we can find ways of carrying out a tangible reduction of taxes by means of our savings and rationalization programs. Working out a flexible supply of goods by gradually eliminating the import limitations could give a great impetus to the development of a market economy. This is also an effective anti-inflationary factor. I also consider it an important requirement for such a market economy to appoint well-trained and dynamic leaders in our enterprises, people who are able to think in terms of international markets in their own areas of activity and who do not expect foreign help and favorable circumstances for renewal.

International Tax Reduction Competition

[Hamori] Speaking about taxation, true competition has recently developed among the developed countries on how to reduce taxes, by recognizing that as a result of reduced performance and tax evasion tactics, in the final analysis, the high tax brackets only hurt the treasury. Does the government intend to carry out a larger-scale tax cut?

[Nemeth] Although the formula "higher tax bracket—lower tax income" you have mentioned here, or the so-called Laffer curve, is well known in professional circles, I would like to stress here that it has not yet been scientifically proven. However, common sense indeed tells us to take this relationship into consideration.

In shaping our tax policy, we do not disregard international experiences either, and we are aware of several analyses carried out by our own research institutes or by other international organizations. The international trend is indeed to carry out a tax bracket reduction simultaneously with the elimination of tax exemptions, and a reduction of tax progressiveness and of the number of tax brackets. However, I must point out that a successful economic policy does not depend exclusively on tax levels. There are two extreme examples of this: unsuccessful Chile, with its low tax brackets, and successful Sweden, with its high taxes. There is also a social-historical component to the capacity of accepting tax burdens: In places where social solidarity is stronger, people are more willing to pay the price for this.

In spite of all these things, we are striving to reduce the tax brackets and progressiveness, and to eliminate tax exemptions by first creating the necessary conditions in the aforementioned manner.

[Hamori] A radical reduction of spending, including a cheaper bureaucracy and tax bureaucracy, could perhaps better contribute to ensuring a balance of payments than the pressure of taxation. What do you intend to do in order to ensure this balance on the part of spending?

[Nemeth] As I have already mentioned, a budgetary reform is currently being worked out, and it focuses on a rational reduction of expenses, including mainly a reduction of subsidies. However, we will go further than that: Our goal is to work out a financial system that is suitable for the strengthening of social democracy. We will transfer the majority of decisions to the sphere of authority of

local councils, together with the subsequent responsibility, of course. We would also prefer a simpler way for the budget to obtain income. In this respect, the tax reform already represents a certain step forward.

As for tax management, I must say that in other places with similar tax systems, there are many more people working on tax administration (for example, in Belgium, 27,000 people are engaged in tax administration, while there are fewer than 6,000 people engaged in this occupation in Hungary). We are striving to simplify this work by introducing machines and by organizing the work, but there are financial limitations.

As is well known, the reorganization of the state administration is currently under way: This reorganization will affect every place, from government bodies on down. At the same time, the members of our society would like to deal with an efficient and well-functioning state administration which is ready to serve them. These two requirements need to be coordinated.

A Coalition Government

[Hamori] Of course, a government is not measured only by the need to be as thrifty as possible, but also by the need to be as efficient as possible. What are the government's plans for improving its own efficiency?

[Nemeth] I see guarantees of efficiency by changing the style of government activity, rather than by some sort of invented organizational structure and reorganization. I would stress first of all that we have to really organize our government activity by implementing the principles of rationality, professionalism, and responsibility. The core of my governmental philosophy is a service-type government, one that implements economic and social goals with professionalism, determination, and a moral standard. I have committed myself to a government which will break the hierarchical limits of bureaucracy with the democracy of knowledge. The government's "operational style" has the characteristics of a people's front. We want to rely mainly on the National Assembly, which is increasingly strengthening its activity of representing the people, but we will also need the assistance of the party as a social force.

However, I am convinced that we will be able to carry out our tasks if we release the inherent forces in society which have been suppressed to date. I am thinking here of the organizations that emerged as a result of society's self-organizing activity. With our cooperation, they might even turn out to be less "alternative" because their positions could be coordinated with that of the government on certain issues. I am ready to accept tough criticism and consider any constructive proposals coming from any political organization based on socialist constitutionalism. To sum things up, I tend more toward a coalition and people's front-type government, and I will subordinate my organizational and personnel steps to this goal. I do not have any ready-made recipes, and I intend to make changes along the way. In the coming days, but I hope not later than January or February, we will perhaps be able to talk about concrete things. In the meantime, we are trying to give indications to society and to the alternative movements in various forms, by renewing the advisory body, broadening cooperation, connecting various organizations to the government, expressing our openness, and by our readiness for dialogue and cooperation. We do not want to turn away anyone who accepts cooperation and the tasks deriving from our situation and who wants to assume a responsible share in this; on the contrary, we want to include him and consider him as being close to us. A crisis in confidence and a weakening of trustworthiness are our greatest problems. However, this government and the current leadership will perhaps be able to put an end to this loss in confidence by making fewer promises, by doing much more, and by taking concrete measures step by step. I am confident that people will believe us when we say that it is worth supporting everything we say or promise with thoughts, proposals, and initiatives.

[Hamori] In connection with the governmental reorganization, many people ask why the government needs two ministers of state.

[Nemeth] It is in our fundamental political interest to make sure that Rezso Nyers' experience and broad scientific knowledge acquired in the course of a rich political career are asserted at the proper level. Therefore, we agreed that Comrade Rezso Nyers would take over the activity connected with our reform of economic management, and that he would replace Peter Medgyessy as the head of this committee. In other words, Rezso Nyers would return to the same position he was forced to leave at the beginning of the seventies, but this time within the government.

We will review the activity of the government's advisory body in the near future, and we will renew it both in its concepts and methods. Our goal is to increasingly involve social policy in our economic policy and to assert the coalition and people's front nature of our government already in this advisory body. We intend to operate this advisory body as a form of dialogue with the alternative movements. Peter Medgyessy would represent the government in the National Council of Interest Coordination. In addition, he will become our permanent representative to CEMA. He will also be in charge of supervising concrete areas, like maintaining contacts with the World Bank and the IMF, as well as marketing state property and making better use of this property, in the framework of the program aimed at encouraging ventures. Imre Pozsgay's tasks and functions will remain unchanged, as these have emerged previously.

Is It Possible To Get the Best From Both Cakes?

[Hamori] It would be necessary to make the government's activity easy to survey and to reduce bureaucracy, if for no other reason than to attract foreign capital.

However, perhaps not so much attracting capital as its subsequent positive effects, like the introduction of a foreign style of business and work, are really essential to us.

[Nemeth] I do not think that one should look for such close causal relationships between the existing bureaucratic obstacles and the modest flow of working capital into Hungary. The investment decisions of a foreign capitalist are basically motivated by a secure and proper level of profits. Hungary's geographical position is favorable, and foreign investors can find highly qualified and relatively cheap manpower here; at the same time, however, the market is too small here, the infrastructure is undeveloped, and supply discipline, product quality, and the reliability of our supporting industries are low.

These are, therefore, the purely economic factors, and an evaluation of them is always accompanied by the ever-present motif of distrust toward a country with a different social order. The economic policy changes that have taken place since the 1968 reform also increase the concern of potential foreign investors. Despite all these factors, not only our declared but also our partially implemented, new reform measures and our broad economic diplomacy have already brought results, albeit not a real breakthrough. With the encouragement of working capital, as a result of the new regulations introduced on 1 January 1986, such as simplified licensing procedures and tax and customs exemptions, 89 new mixed enterprises were established in 2 years, the number of licenses issued in summer 1988 exceeded 200, and the value of the influx of working capital stood at $200 million. Although the value of foreign participation per mixed enterprise is low, we should not disregard the development trend involved: While 47 mixed enterprises were established in Hungary between 1972-85 with a total foreign capital of $50 million, the amount invested in Hungary in the last 2 and ½ years reached $150 million.

The Law on Business Associations will bring considerable advances both in the technique of establishing mixed enterprises and in creating investment security for our foreign partners. We are also trying to settle the issue of real estate purchases by foreigners. However, not only should the conditions of establishing and operating such mixed enterprises be attractive for foreign investors; it is also important for them to be able to withdraw their capital relatively quickly and simply. Only the establishment of a stock exchange will simplify this procedure, which is still lengthy and bureaucratic. Experts are currently working on these and other measures to make Hungary attractive for foreign investors.

[Hamori] Of course, many people regard even the present foreign economic influence as exaggerated, influence that the developed capitalist countries have in Hungary through their business contacts, credits, and international organizations. Are we indeed prisoners of the World Bank? Could some sort of debtor slavery threaten us?

[Nemeth] We must differentiate between our contacts with foreign enterprises and our contacts with international organizations. However, the amount of credits we have taken so far indeed represents great pressure, because our interest payment and credit repayment obligations narrow the scope of our economic policy. I would formulate it as follows: We are not captives of the World Bank, but to a certain extent we are the captives of our debts. We asked for membership in the World Bank on the basis of a thorough and careful analysis of our interests and obligations. We have always paid particular attention to making sure that our obligations do not in any way thwart either our short-term or our long-term interests, and that they do not curtail our sovereignty. However, we had to accept the fact that the World Bank was giving us money to use for spending related to the creation of a market economy and to carry out concrete projects, projects also formulated in terms of goods [naturalisan]. In addition, like anyone else who gives money on credit, the World Bank wants to receive information about the orderly use of its loans; in other words, it can oblige us to supply certain information. On the basis of this information and the experiences of their own financial experts in Hungary, the World Bank formulates its proposals on the expedient domestic economic policy activity, but these proposals have never been obligatory for us and have never had any political undertones.

[Hamori] Is it possible that our foreign economic vulnerability derives from our foreign trade sensitivity?

[Nemeth] Foreign trade sensitivity is not identical with foreign trade vulnerability. Countries the size of Hungary, and even larger countries, are always sensitive to foreign trade developments at the current level of technological development. However, a country becomes vulnerable if its great dependence on foreign trade is not accompanied by a capacity to react quickly to international economic changes. In such a case, such a country is unable to counterbalance absolutely necessary imports with the export of high-value products to international markets. We should not be afraid that the outside world will not consider us equal partners, but we should be aware that if we do not keep pace with the world, we will deprive ourselves of the opportunity to have partners.

[Hamori] According to an economist, Western impulses make our economy more dynamic but also unstable, while our "Eastern contacts" have a stabilizing but also conservative effect on our economy. Is it possible to have the best of both cakes and to enjoy both the dynamic and the stabilizing effects?

[Nemeth] It might seem that I am evading the answer if I say that, in this respect, international politics are providing greater scope for the development of our economic policy than any time before in the past 4 and ½ decades. The situation today does not force us to choose to develop close economic relations only with the socialist countries or only with the capitalist countries.

Unfortunately, cooperation within the CEMA has not developed well enough in the past decade to give positive impulses to its member states today. Because CEMA is unable to give such positive impulses, it has also lost something of its stabilizing effect. At the same time, even if not free of internal conflicts, many of the capitalist countries that are playing a particular role in our economy have been able to show a favorable development trend. Therefore, this is not a question of an alternative. Hungary indeed wants to conduct a "multimarket" economic policy. We are striving for CEMA cooperation which, following a radical and thorough reform, becomes suitable to stimulate the development of its member states and to eliminate the general disturbances in their growth and their structural problems. On the other side, we are striving for broad relations with the developed capitalist countries on the basis of mutual interests. I think it is a mistake to approach this issue as an ideological or even ethical problem.

[Hamori] The confidence of the outside world is one of the elements of government stability. An important source of power for us that both the East and West are following our efforts for political and economic reform with understanding. However, what about the issue of confidence at home? Do you feel a mood of confidence, a "we will see" position, or despair that "everything will be the same anyway"?

[Nemeth] Our reform efforts indeed have a favorable international political position. Our partners and friends have placed their confidence in the Hungarian policy, including the government, but they did so on the basis of our achievements and their own interests. I feel that the "we will see" position is very strong, but there are many kinds of feelings in connection with the government policy, and not even the Public Opinion Research Institute has attempted to evaluate these feelings.

I Will Not Create Any Utopia

[Hamori] If one does not find one's place in the present or has to face difficult problems, one turns to the future. Various predictions and utopias are in great demand at such times. How do you see the future of Hungarian society? What will happen to our children?

[Nemeth] I will not engage in prophecies, nor will I create any utopia. I do not at all think that these things are in great demand today. I sense a strong readiness in society to accept the situation, and I do not sense any attempt to escape into the future. I regard any vision of a future image as disarming. In my view, we have to create social consensus and collaboration based on values to be pursued. There is no appeal in any promises concerning the future. On the contrary, in approaching the nineties, such promises are more repulsive than attractive.

As for the second part of your question, we can leave our children a socialist economy and society directed toward modernization. There are still historical chances for this. I also consider it very important to bequeath to our children the readiness to accept the situation, a willingness to act, determination, persistence, and consistency. For this, of course, we also must possess these qualities.

[Hamori] In the West they call you a pragmatic reformer and a politician who is free of the spiritual shackles of ideologies. Is this image accurate, Or do you also have your own ideological polestars?

[Nemeth] I do have one such polestar, and it knows no mercy: the nature of things. I try to adjust my knowledge to facts and to the trends deriving from processes. In my view, this is not pragmatism, but rather an essential quality for a successful politician. Ideology can be useful, and a political program of action can be implemented only in the case of a sovereign view of realities. For me, this is the major lesson of Marxist-Leninist theory. In the practice of socialist construction, I follow the recognition of the fact that any attempt to replace reality with ideological cliches has always led to problems.

[Hamori] How do you look back on 1988, and what do you wish for 1989?

[Nemeth] It is relatively easy to summarize: There was more work and fewer results than were desirable in 1988. I take great joy in my family life, but I have had very little time for my friends. Thus, in the new year, I wish everyone and also myself a lot of happiness, results, and joy in their work, and a lot of energy and health for all those concerned.

[Hamori] Thank you for the interview.

Lukacs Addresses Rally on Militia Role, Reform

LD0701204389 Budapest MTI in English 1938 GMT 7 Jan 89

[Text] Budapest, January 7 (MTI)—A workers' militia unit rally was held on Saturday [7 January] in Kormend. The rally, which was open to the public for the first time, was addressed by Janos Lukacs, member of the Political Committee of the Hungarian Socialist Workers' Party [HSWP] and secretary of the Central Committee.

Mr Lukacs recalled that, following the national party conference, the workers' militia immediately stated: It supports the economic, political and social reforms initiated by the party. "Several members of the body are present in those new organizations whose announced programmes and activity is not contrary to our socialist, national goals. And this is correct", he noted.

The secretary of the Central Committee also mentioned that remarks have also surfaced which question the existence of the workers' militia. There are groups which attack the workers' milita from political reasons. Mr

Lukacs said that the opinion of the Central Committee remains unchanged: This voluntary body of popular composition, whose members serve the power of the people, with their work, knowledge and, if need be, with weapons, is still necessary today. "The confidence of good intentioned people who want something better, thus of the Communists, continues to be unbroken towards the workers' militia", Mr Lukacs said.

In the following, he set forth that the reform steps taken so far do not promise rapid successes. For instance, price hikes cannot be avoided this year, either. The government is aware that these measures are not popular. Still, no other road is passable than the one which leads through the modernization of products and technologies, the cutting back of unprofitable activities and state subsidies, and enlivening competition, the new ventures, and the acceleration of the flow of capital. The overwhelming majority of society agrees with these principles and efforts, but bears the disadvantages that accompany the implementation of these goals in a difficult way. This is why there is a greater need today for soberness, for social unity and cooperation than ever before. "Seemingly, we are farther from social agreement than in the previous decades, however, the conditions to reach agreement are better today, than earlier," Mr Lukacs said.

Mr Lukacs also said that the party acknowledges the existence of alternatives that differ from its conceptions, that oppose it. It relies on ideas and proposals that aim at improval, but takes up debate with views which openly, or in a veiled manner, attack socialism. Discussing the one- or multi-party issue, Mr Lukacs said that the leaders of the HSWP think in the same way with respect to the most important point; they do not wish to promote the coming into being of several parties, but cannot prohibit with democratic means that others should wish this. According to the HSWP, the alternative to the hitherto practicing of power is not the existence and fight of several parties, but the development of the self-governing capability of society, the genuine participation of workplace and residential collectives in the practicing of public affairs. The HSWP is prepared that it will have to fight for governmental influence, for its leading role fulfilled in society. The party wishes to convince the people of its truth with lively politicking, the means and methods of the movement - Mr Lukacs said, among others.

Spokesman on New Constitution, Price Increases

LD1201211189 Budapest MTI in English
1816 GMT 12 Jan 89

[Text] Budapest, January 12 (MTI)—At its session on Thursday [12 January], the Hungarian Government heard a report in the presentation of the minister of justice on the concept of the new constitution being prepared, which is to be put to social debate. According to the current conception, the new constitution will not mention the Hungarian Socialist Workers' Party as the leading party of society, said government spokesman Gyorgy Marosan, in answer to a question at the press briefing following the session.

The minister of trade reported on the results of tourism in 1988, including the fact that the number of citizens visiting the Western countries rose from 1 to 4 million as a result of introducing the new Hungarian world passport. The number of Western tourists visiting Hungary increased, while the number from the socialist countries decreased. The surplus from tourism thus declined to 100 million dollars. In spite of this, the government is not considering restricting foreign travel. However, further measures are being prepared to keep the foreign currency taken out of the country for shopping within the country. Two new department stores which sell products for hard currency are to be opened to complement the currently existing 350 such shops. It is, however, the opinion of the government that this is not the way to solve the issue, as increasing the number of dollar shops would only result in a dual foreign currency system. The genuine solution is to make the forint convertible, which can only be the result of a lengthier process. In the short term, Mr Marosan said, the government encourages that the offer of products sought by Hungarians abroad be increased in Hungary and made available for forints.

The Council of Ministers has commissioned the minister of social-welfare and health to work out a conception for the comprehensive regulation and development of child and youth protection. In this context the government spokesman recalled that the financial circumstances of child and youth protection improved from January 1, 1989. The budget increased the sums that can be turned to raising children in state care and in a disadvantageous situation, and ensured a further 50 million forints for the 'life-beginning assistance' provided to youths in state care on their reaching the age of 18. The budget raised the salaries of experts working in the field of child protection by a further 40 million forints, and it has been decreed that family allowances will be granted, with effect from January 1, 1989, for the children in state care and received by the state homes raising the children.

The government proposed the Presidential Council of the People's Republic to rank 41 large villages into cities, and to rank three cities (Kecskemet, Nyiregyhaza and Szekesfehervar) as towns of county rights. Mr Marosan added that the country's administrative map is not yet final, as it is intended to increase the number of towns from the current 125 to 180 by the turn of the century.

In connection with the population's reception of the major consumer price hikes that came into effect on January 9, and the national trade union protest wave, the spokesman said it is a measure that was decided on the basis of the national economic plan and budget put into force in the interest of ensuring that they be implemented. In this situation, the government can promise one thing, he said, it will not pass measures that generate

inflation. If possible, it will not allow further price hikes above those planned. Were it to meet the demands and make wage raises possible out of turn, or were it to increase the subsidies to be cut back, it would only increase the problems and make the solution even more distant. In the past weeks, armed industrial guards have begun to be organized in six industrial and energy servicing firms. The spokesman was asked if the government was aware of the situation. Mr Marosan said they are not new armed bodies. The last time we heard about the armed civil guards was at the time of the picture theft from the Budapest Museum of Fine Arts, Mr Marosan said. Now the civil guard of the six strategically important companies was set up with the knowledge of the government, and exclusively with the financial sources of the companies, with an investment of 32 million forints. These guards consist of 206 persons. The annual upkeep of the armed bodies under the authority of the six companies will total 30 million forints. In conclusion, answering a question, the spokesman said that government experts are currently engaged in finding a solution to the placement of refugees arriving in Hungary. They do not offer refugee camps that revive unpleasant memories, but rather wish to create 'receiving stations' in which the refugees can await settlement of their fate in suitable circumstances. This will ease the loads that burden the cities along the border, Mr Marosan said. The government will report on the final decision at the next session of parliament.

Union Head Warns of Strikes; Inflation Noted

LD1201223189 Budapest Domestic Service in Hungarian 1830 GMT 12 Jan 89

[Text] The MSZMP general secretary, the premier, the general secretary of the National Council of Trade Unions, and also the 650,000 members of the Iron, Metal, and Electric Power Industry Workers [Vasas] Trade Union will receive a memorandum, about which Janos Fodor will now report:

[Fodor] The Vasas Trade Union Presidium today issued a statement in which it expresses an extraordinarily decisive protest against the price hikes. In their opinion, and I quote: It has once again been proven that the administration, taking the line of least resistance, is putting into an ever more impossible situation first of all the wage and salary earners, as well as pensioners. The Vasas Trade Union does not accept responsibility for the fact that drastic price increases have been introduced first and foremost in the basic subsistence goods and services sector.

As can be read in the statement, it demands from the political and state leadership the immediate raising of wages, a 3-percent increase for all workers represented by the Vasas Trade Union, and a compulsory wage increase independent of the wage mechanism.

General Secretary Laszlo Paszternak also spoke about strikes in a recorded interview:

[Begin recording] [Paszternak] I believe that our responsibility for everything that happens in this country, including also the eventual use of strikes, also comes through in our statement. We must bear sufficient responsibility in view of the fact that strategic branches belong to our union, such as the electric power industry.

[Unidentified correspondent] Work cannot be halted there.

[Paszternak] That is inconceivable. But so that the interests of those working in the electric power industry can be asserted in some way, even through such means as this, for a strike based on the principle of solidarity is indispensable. For example...

[Correspondent] That others should strike in their place?

[Paszternak] Well, for example, we might say that a warning strike, in a given instance, should concern those who work in the machine industry, because, well, they feel much responsibility and commitment, on the basis of the principle of solidarity, with those working in the electric power industry. But I could also mention metallurgy.

[Correspondent] I think that from many points of view all these things which life brings with it must be unacceptable to a trade union. But what is your opinion? Can this material, this statement by the presidium, be acceptable to the government?

[Paszternak] Well, we cannot say whether it will or will not accept it. But I cannot imagine that it would not take it into account. The importance, the place, of these 650,000 people in society, in my view, is such a determining factor that it is necessary to accept the approach that has been evolved with them and for them, even amid the most difficult circumstances. Indeed, in the future at least, a step will have to be taken which does not cause more than the necessary tension. [end recording]

[Unidentified speaker] Good evening. I would like to add a brief observation to what has just been said. First of all, no one denies that in Hungary the living conditions are deteriorating. No one denies that in this situation the trade unions have the right to renounce the role of supernumerary. But here it is not a question of issues of principle, but rather of the offsetting, through wages, of the price increases. Several trade unions believe that every worker must receive a minimum 3-percent wage increase, a salary enhancement, regardless of whether—and I stress—regardless of whether this is covered by performance, or whether the individual works at a loss-making or profit-making enterprise.

Now then, everyone must know that an outflow of wages without performance, performance recognized by the market, purely and simply means money without being covered by goods. In other words: inflation, more inflation. If the trade unions were to fight it out with the government, or force the government to allow the budget

to participate in a wage increase of this type, then what I say is that we will set off in double time in the tracks of Poland and Yugoslavia. Something will be initiated which is known as the wage-price spiral. Wages will rise without performance; in their wake, prices will immediately also increase, because the market reacts mercilessly. This will again be followed by a wage increase, and that again by a price increase. Triple-digit inflation will follow double-digit inflation. And then those receiving low wages and pensioners will really be in a sad state, for it is first of all their reserves which will be consumed by the money's deterioration.

I have just mentioned the examples of Yugoslavia and Poland. From these two countries I would offer one more lesson: Inflation disorders the economy slowly; strikes, the strikes which have now been set in view in Hungary also would do this much more quickly. I believe that these interconnections will here and now have to be fully thought through very, very responsibly by all those concerned.

Further on Ironworkers' Protest

LD1201174689 Budapest MTI in English
1622 GMT 12 Jan 89

[Text] Budapest, January 12 (MTI)—As reported, several Hungarian trade unions have protested against the price rises. On Thursday, [12 January] the board of the Iron Workers' Union, adopted a statement in this context. It says that the price rises have met with indignation and despair among the membership, because in their view a process contrary to the previous agreements of the trade unions and the government has started. According to the Iron Workers' Union, the negotiated 3-4 per cent reduction in real wages and real incomes is no longer tenable because of the price rises.

The body calls for an economic and social-welfare policy that guarantees at least minimal security of existence, and creates an opportunity to stop real wage decreases. They are demanding that members of the Iron Workers Union receive a 3 per cent tax free pay rise.

Justice Minister Holds Briefing on Assembly Bills

LD1101201789 Budapest MTI in English
1815 GMT 11 Jan 89

[Text] Budapest, January 11 (MTI)—On Wednesday [11 January] in Budapest, during a break in the session of parliament, Minister of Justice Kalman Kulcsar answered the questions of journalists following the approval of the bills on the right of association, and the right of assembly. The minister said:

"Approval of the two laws is a major step on the road leading to the creation of the constitutional state. Naturally, further major work still lies ahead. However, the creation of the constitutional state can be completed when parliament approves the new constitution." With respect to the party law, the minister said that work has already begun on the legal rule. Problems of a technical nature, rather than political issues, should mainly be solved, and it is necessary to coordinate several legal measures in connection with the party law. The court of the constitution will probably be set up when the party law comes into force, thus there will be no obstacles in the way of registering new party organizations. Representatives of the recent alternative organizations will be included in the preparation of the party law. This is not a novel practice, as a similar practice was followed for the preparation of the new constitution. According to plans, the party law will be put to social debate prior to its discussion by parliament.

The correspondent of the Voice of America asked, in connection with the constitution under preparation, whether the statutes would set down the leading role of the HSWP. Mr Kulcsar said that, under the current regulation conception, they do not wish to separately determine the leading role of the Hungarian Socialist Workers' Party in the enacting terms of the Constitution, for this is not a legal, but a political issue. The same is true with respect to declaring the leading role of the working class. The task of the statute is to state the most important fundamental principles to be enforced in the activity of the state organization. It is, however, conceivable that the activity of the HWSP be set down in some formulation in the preambulum that generally deals with the Hungarian state and social development.

Correction to 10 Jan Berecz Address to Assembly

The following correction pertains to the item subheadlined "Berecz Address to Assembly" published in the 11 January East Europe DAILY REPORT, page 41: page 42, first column, last paragraph, last sentence: ...which endanger peace—are not able to be created. (adding word "not")

Walesa Interviewed on Gdansk Situation

LD1201190589 Gdansk Domestic Service in Polish 1600 GMT 12 Jan 89

[Andrzej Trojanowski report]

[Text] [Trojanowski] At a meeting Thursday with Polish and foreign journalists, Lech Walesa was asked a question regarding the situation in the Gdansk shipyard after the Tuesday rallies. He said, among other things:

[Begin Walesa recording] One rally involved the whole shipyard, and at that rally I proposed meetings within departments where [words indistinct] because there are quite a lot of problems, and I am slightly less involved with the shipyard lately. I would like to correct matters concerning our country with various groups. To use a workman's language, it might be said that I have neglected the shipyard somewhat. Therefore there will be more such meetings in the shipyard, at which we will clarify things, and correct both my actions and other actions as well.

To begin with, one can say that both (?in the country) and in the shipyard there are a great many problems and grievances. In fact almost every one of us can, and has the grounds to, announce a strike—to strike—everyone and everywhere for that matter. This road leads nowhere even though we all have grounds and the right to fight against what is going wrong—with us, with Poland, with the economy. However, we may not (?act) that way. One should correct actions, one should discuss actions, and one should go forward, in solidarity [solidarnie], fight when it is necessary, understand when it is necessary, gather strength for the struggle and (?go forward) with common sense at all times, because our common [word indistinct]—the achievements of generations—must not be wasted; we must fight for independence [prawy wolnosciowe], for pluralism, and for unions. Not only must we fight for this, but with the lowest costs possible. All these things—at rallies and at meetings—I will try to clarify and to ask about in order not to make mistakes myself and at the same time to put others right. [end recording]

[Trojanowski] In answer to a question about his attitude toward the OPZZ's latest statement, Lech Walesa said that as far as he was concerned, he could not accept such conduct. He also gave his opinion concerning the problems of university students organizing themselves into unions, giving his support to the idea of pluralistic organizations at higher education establishments. At the same time, he sounded a warning that he would not give his support to—and here I quote—other than peaceful means of struggle. Lech Walesa expressed his readiness to meet with representatives of the young people.

The remaining questions journalists asked related to the 10th Plenum of the PZPR and the latest statement of the so-called Gdynia group.

OPZZ Official Opposes Government Stance

LD1201150489 Warsaw Television Service in Polish 2146 GMT 11 Jan 89

[Text] The argument between the government and the OPZZ [National Trade Union Accord] is at the focus of attention of Poles. The tone of the official stance of the trade unionists has become much more heated.

[Begin recording of Waclaw Martyniuk, deputy OPZZ chairman, identified by screen caption] The OPZZ Executive Committee met on Monday. The Executive Committee has rejected the concept of the so-called anticrisis pact, which is presented as the coalition of forces consenting to further cuts in the living standard of the working people.

Minister Urban asked who in Poland is in favor of the anticrisis pact, understood in such a way. The answer is as follows: The idea of the anticrisis pact was raised by representatives of the political opposition. The author is believed to be assistant professor Geremek. Its content is clear: It proposes support for the economic policy in return for various political concessions, including, in particular, the promise to relegalize Solidarity. This is how we understand it: The authorities are gaining consent to tighten the belts of the public, to lower the living standard of the workers, and for further price increases, to enrich private enterpreneurs, to reprivatize the socialized sector economy, and to cut welfare benefits health care and schooling.

The political opposition hiding behind the placards of Solidarity is to become the guarantor of public order. Public statements made by representatives of the highest authorities—for instance by Comrades Czyrek and Ciosek—clearly indicate that for many this is an attractive concept. What is worse, this is not limited just to statements. Already we are facing specific economic decisions, for instance a new wave of price increases which acutely affect the working people. And the political opposition gives its silent approval to such decisions because it hopes that as a reward it will be given further politcal and economic concessions, in particular the relegalizing of Solidarity.

How can economic policy be changed so that it better serves the interests of the public? It is necessary to put a prompt end to high prices, to prices and wages anarchy, and to put a decisive end to the policy of tightening the belts of working people and of unlimited enrichement of various so-called enterprising people. The work of workers and the intelligentsia must be given more value. Only on this basis can we build a strong and effective economy.

We have presented an alternative program. The details are there. To us, this is the way to improve the living standards of the working people and to unite them rather than divide them. Debate on trade union pluralism is an attempt to divide the working people. I am surprised that

Minister Urban, noticing this phenomenon among journalists and protesting it so fervently, is failing to notice the same among the work forces. Division among the working people does exist. Who and what does it serve? It does not serve the public, for sure; it serves the red tape officials who would like to rule according to the old style. Responsibility for this is borne by those who wish to confront Solidarity with the reborn trade unions and those who wish to treat our unions as an obedient partner. But times have changed. Trade union activists know that the working people are the only authority on which they can count. Of course, there are differing views among work forces, and we respect this and take this into consideration.

There are different orientations in our organizations, from left wing and communist, through socialist, to Christian-Democrat. In the mining trade union organizations, there are banners with the hammer and sickle on them; there are also banners with St Barbara and other religious symbols. Jointly they form the Federation of Miners' trade unions. The divergence of views and attitudes does not prevent us from fighting for the common goals, but we are aware that it is in the interest of the working people to broaden political freedoms and democracy in public life. We support actions in this direction. [end recording]

Malinowski Speaks on Roundtable, Reforms

LD1001230789 Warsaw PAP in English 1747 GMT 10 Jan 89

[Text] Lublin, Jan 10—Speaking at a meeting in Pulawy (eastern Poland) with chairmen of the United Peasant Party local chapters and peasant activists of that region, chairman of the United Peasant Party CC and the Sejm Speaker Roman Malinowski said today that the present year would be crucial for Polish reforms. It is connected with the idea of the round-table talks, and with the drive to provide Polish diversity with a due reflection in the Sejm, the government, and all structures of the state. Talks concerning these matters are under way and are close to agreement as regards many significant questions.

Inter-party relations are changing as part of these transformations, and also the coalition is changing with all its parties, including the United Peasant Party. The UPP already has its own proposals concerning changes in the electoral law, and our proposals of amendments to the constitution are being completed, Malinowski said.

The government has adopted a high tempo of reforms. Numerous examples prove that what seemed unthinkable yesterday is a fact today. What seems impossible today will be possible and necessary tomorrow, he said.

Sejm Committees Focus on Economic Issues

Defense Spending Discussed

AU1301090389 Warsaw ZOLNIERZ WOLNOSCI in Polish 7-8 Jan 89 pp 1, 2

[Report by Captain Janusz Grochowski: "Defense Spending"]

[Text] This year's defense spending, proposed by the government in the 1989 draft budget, was examined by the Sejm National Defense Commission at a meeting on 6 January, attended by Army General Florian Siwicki, minister of national defense. The deputies attending the meeting also heard a report on the tasks facing the Armed Forces, and on the paths of activity adopted by the ministry in order to permit the performance of these tasks.

Presenting the government proposal, Deputy Jozef Zymankowski said—and his words encountered approval from the members of the commission—that the 1989 plans of action adopted by the Ministry of National Defense are justified and conform to the provisions of the national economic consolidation plan, which call for, among other things, an increase in management efficiency, greater economizing, more market production, simplified organization, and better social benefits.

The government has proposed that state defense spending this year amounts to Z954 billion, 4 percent less than last year. Such major cuts in spending are possible thanks to the progress achieved in international detente, in which the socialist states are playing a conspicuous role. General Siwicki recalled that our countries are not only presenting peace initiatives, but are also taking unilateral decisions that encourage world security. The reduction in defense spending is also the result of the Warsaw Pact doctrine of sufficiency in the defense sphere. Finally, it is a reply to the need to save, a need stemming from Poland's present difficult economic situation.

However, these cuts in spending present the need for rationalization and austerity measures in every sphere of the Armed Forces. A restructuring of the Army is planned, designed to reduce its numerical status, while at the same time increasing its quality. In the near future, some units will be abolished; Ministry of National Defense commands and central institutions will be integrated; and the number of military academies, higher officers schools, and schools for warrant officers in the reserves will be reduced. It is also envisaged that supplies of armaments, technical equipment, and general-purpose materials and goods will be reduced, and essential purchases will be made on a selective basis. These cuts are to be offset by a better use of the materiel and resources already in the hands of the Armed Forces and by better training for soldiers, in which there will be a greater use of simulators.

This activity, combined with an increased concern for food, health protection, and accommodation for cadres and soldiers, will ensure that the defense tasks are carried out to the proper degree. At the same time, reduced orders for military technology permit the use of defense industry potential for market purposes. Thanks to this, increased quantities of road trailers, containers, tools, vehicle jacks, excavators, and electronic subcomponents were manufactured last year. This year's offer is to be expanded by further varieties of products such as radios, building machines, agricultural equipment, and even license plates for cars.

Production and repairs are only some of the activities which the Army intends to undertake for the benefit of the national economy. Soldiers will assist agriculture, transportation, construction, and other branches of the economy no less than they have done so far. They will help in recultivating and improving land; building freeways, the Warsaw subway, the new Okecie II Airport for Warsaw, and the bridge in Zakroczym; and in environmental protection. Also important is the fact that the Army will train a considerable number of experts, often in fields in which there is a shortage of qualified people. When these experts have completed their military service, they will offer their services to construction enterprises, transport enterprises, communications enterprises, the merchant marine, the fishing fleet, or civil aviation.

Society will still be able to take advantage of military health services. In addition, it is foreseen that soldiers will donate 95,000 liters of blood this year. The deputies also praised undertakings aimed at improving the cultural standard of military life and making it more humanitarian, as well as work involving the patriotic-defensive upbringing of the young generation.

However, there are phenomena which the National Defense Commission members found disturbing. They shared the view of the ministry's leadership about the need to maintain the standard of living in the Army at least at the present level, despite the far-reaching austerity measures. They said that the standard of living of professional soldiers must not fall below that of workers in state industry. And yet this very trend appeared last year. The deputies criticized the situation of housing construction, and not for the first time. For many years, some voivodships have failed to provide military personnel with the housing accommodation that was previously planned, despite the Army's support for the construction industry. The deputies called upon voivodas to change this negative state of affairs. At the same time, they affirmed that housing construction for soldiers in 1989 should take place at least at the same level as 1988. To underline the need to resolve these issues as quickly as possible, the deputies decided to file petitions.

The commission noted with concern that there are supply problems, especially with supplies of uniforms for the army and civilian defense units. They also said that if wages, prices, and foreign currency exchange rates rise faster than planned, the Council of Ministers should provide essential funds out of the budget in order to complete the defense undertakings planned for 1989.

Even though funds for the Ministry of National Defense occupy a smaller part of the national income and budget than previously, this income should still be enough to satisfy the most urgent defense needs, provided that it is used rationally. Having said this, the deputies moved to adopt that part of the 1989 draft budget that applies to the Ministry of National Defense.

Representatives of the Supreme Chamber of Control and Ministry of Finance took part in the meeting.

After the meeting, Deputy Henryk Jablonski (PZPR), chairman of the commission, told journalists:

'The commission approved the Ministry of National Defense stance on restructuring the Armed Forces, but wondered how it is going to take place without reducing our country's defense capability. This process will involve not just a restructuring of the Armed Forces, but will also require greater quantities of an entire series of technological resources and a change in training methods. Otherwise, if we reduce spending and the Army's numerical status, and withdraw a major portion of its equipment, we will reduce the country's defense capability.

The commission did adopt the Ministry of National Defense draft budget, said Deputy Jablonski, but the deputies voiced reservations about very important points, especially the question of wages. It was already apparent last year that military wages were below civilian wages. If wages in the national economy increase even more this year, this wage relationship will be even worse. Therefore, the commission petitioned the government to maintain a proper relationship between wages in the Army and wages in the national economy.

The second reservation concerned the housing economy. The plan to construct apartments for the Army is still not being carried out. This of course bears very serious consequences for the Army's work. There are garrisons in some cities, and there simply have to be apartments for military cadres there. This involves suitable credits and a suitable potential to perform construction work.

During the meeting, we also discussed using the reserves that have appeared in the defense industry, H. Jablonski continued. These reserves are being used clearly in accordance with the priorities that have been established not by the government, but by society. The priorities are the food economy and the housing economy. And that is where we will direct all the reserves that have arisen, due to the fact that less military equipment is going to be produced.

The commission also drew attention to the need for environmental protection to occupy a separate position in the Ministry of National Defense budget. Although

the budget does contain this area,the point is to give it clearer emphasis. There were also remarks about how to present the ministry's budget to society and show society what the Army is doing for the national economy. For the Army is doing a great deal, but society does not know much about it, said H. Jablonski.

Draft 1989 Budget Considered

LD1101042389 Warsaw PAP in English
2350 GMT 10 Jan 89

[Text] Warsaw, Jan. 10—Numerous Sejm committees today formulated opinions for the Committee for the Economic Plan, Budget and Finances as the one that will discuss all remarks and submit the final shape of legal acts to be adopted by the Sejm.

Sejm deputies expressed positive opinion on drafts of the budgets of several ministries and central institutions, although they often voiced their fears as to the feasibility of the planned expenditures. But the Committee for Science and Technological Progress expressed negative opinion on a draft of the budget of the Polish Patent Office as a clearly lowered one and suggested that the means for this institution should be increased. The same committee also demanded the immediate return of the means of the central fund for the development of science and technology, located in the state budget.

Deputies of the same Sejm committee took interest in the quality and effectiveness of the system of Poland's radiological protection and the possibilities of detecting pollution. Explanations given by the chairman of the State Nuclear Energy Agency show that the system is efficient and additionally modernized; being part of the global system. The amount of radioactivity in air, water and soil is regularly monitored.

The committee for the economic plan, budget and finances received a draft budget of the non-existent government planning commission instead of the expected budget of the recently set up Central Planning Office and the committee decided that the offices budget was actually not presented. A joint meeting of the Committees for Economic Plan, Budget and Finances and for Legislative Work, to preliminary examine proposals of new legal rules of the economic game, held on the same day had a different character. In the first reading, Sejm deputies examined government draft laws on financial management of state enterprises, on income tax from corporate bodies, on the amendment of the Law on Income Tax (from physical persons) and a deputies draft law amending the civil code.

The Sejm Committee for Culture adopted drafts of the 1989 central fund for the development of culture and a budgetary law in parts concerning the Ministry of Culture and Art, the Committee for Radio and TV and the POLISH PRESS AGENCY PAP.

However, a 61.5 per cent rise in the means to be at the disposal of the central fund for the development of culture actually not only will be insufficient but will also be partially absorbed by inflation. Also, an increase in the budget of the Ministry of Culture and Art by 133 per cent as compared with 1988 will not balance growing costs of the activity and progressing inflation and as a result means the fall in the share of expenditures on culture in the state budget.

Sejm deputies spoke with approval about initiatives undertaken by the POLISH PRESS AGENCY to enrich the contents of its new services and to make their form attractive, and about technical improvements introduced by it, which is a particularly important question.

Education Budget Rejected

LD1301023289 Warsaw Domestic Service in Polish
2200 GMT 12 Jan 89

[Text] The Sejm Commission for National Education and Youth has not accepted the part of next year's draft budget dealing with education and schooling. Despite an increase in the planned sums, it would be the 3d year running that the share of education in the distribution of national income would be below five percent.

Deputy Kazimierz Janisz recalled, basing himself on a previous settlement, that in 1990, this share was to be seven percent. The insufficient investment in education and the depreciation of (?schools) arouses disquiet. The standard of educational aids is worsening. The state of teaching personnel also is far from satisfying the existing needs of higher education establishments. The interest of the younger teaching cadres in work at colleges is decreasing.

In conclusion, the deputies stated that the proposed draft budget for next year does not answer the needs of education and upbringing, nor of higher education. The implementation of the results of work done by a committee of experts on matters pertaining to national education is now uncertain.

PZPR Economic Policy Committee Gathers

Baka Speaks at Session

LD1001040189 Warsaw PAP in English
1943 GMT 9 Jan 89

[Text] Warsaw, Jan. 9—Reaching equilibrium of the economy and, above all, of the market, is one of the key elements of the consolidation plan of the national economy, stressed the PUWP Committee of the Economic Policy, Economic Reform and Workers' Self-Management at its meeting here today.

The meeting confirmed the necessity and rightfulness of reforms taken now by the government and designed to encourage initiative and economic activity. At the same time the committee said it would be extremely difficult to reach agreement between the planned high deficit of

the state budget, the planned principles of pay rises, and the planned range of investment limitations on the one hand with the planned price growth not exceeding 20 per cent. And on the other hand—with preventing deterioration of the market situation which is difficult now. [sentence as received]

Head of the PUWP CC Social and Economic Policy Department Janusz Basiak said that the convergence between the consolidation plan and the planned systemic solutions did not find sufficient reflection in assortment and financial plans and in suggested economic instruments. This has been testified by the level of the planned inflation gap (1.4 trillion zlotys), the planned decrease of stock-in-trade, and considering the level of last year's incomes as the basis for calculating tax-free pay growth.

The nature of other solutions also intensifies inflation, the meeting said. Costs of enterprises should be influenced both by higher interest-rate of credits and making currency tenders the main source of foreign currency for producers.

Professor Teodor Kramer considered the to-date "buying" of public satisfaction by the emission of inflationary money as a mistake. It is often done in the so-called public interest. But it is time the notion should be defined. Public interests is above all a long-range development of the economy and its equilibrium.

Much attention was focused on investments. The meeting suggested bigger limitation of their scope than the one aproved by the central annual plan. The discussion also considered ways of financing budget deficit. If it is covered by credit of the Narodowy Bank Polski this leads to the emission of "empty money". One should consider the covering of the deficit by the sale of securities.

Summing up the discussion, Political Bureau member and PUWP CC Secretary Wladyslaw Baka said: We supported the acceleration of reformatory actions of the government. We must do everything so that this line be continued. All forces for a good market—this should be the angle from which one should make assortment and financial plans. The recent public opinion polls show that it is not lack of money but lack of goods that is criticized. We must clearly say that in order to improve market situation and not to allow for a further erosion of the market it is necessary not only to increase production and supply but also—and possibly above all—to introduce more discipline in incomes growth. 1989 should be a year of market consolidation and not of liquidation of income disproportions.

Thus the planned mechanisms of pay settlement cannot be considered as satisfactorily effective. We cannot repeat mistakes we made in the past, Baka said.

Stand on Policy Presented

LD1101041789 Warsaw PAP in English 2320 GMT 10 Jan 89

[Text] Warsaw, Jan. 10—The PUWP CC Commission for Economic Policy, Economic Reform and Employees' Self-Management presented its stand on the 1989 socio-economic policy.

The commission debated on draft laws and drafts of financial plans sent by the government to the Sejm (Polish parliament) defining the 1989 socio-economic policy. The commission pointed out that, on the one hand, radicalism and dynamics of the government actions created a favourable climate and increased hopes for improvement. On the other hand, unfavourable tendencies in the market and in incomes and prices persisted.

Expressing full support for the government reformatory course, the commission said that in the present situation it was particularly important to introduce such principles of economic policy and economic mechanisms that would arrest and next revert negative processes in the money-market area.

The question of primary importance is to ensure a considerable increase in the supplies of goods for domestic market. It is particularly necessary to speed up the processes of shifting factors of production to the sphere of production of consumer goods, among others by a more effective application of the law on improving the management of a state enterprise and its bankruptcy. One should deem the care for improving the supplies of marketables to be the most important duty of the government economic committee and appropriate organs of the state and economic administration.

A great inflation gap, budgetary deficit and high volume of issuing empty money, envisaged by drafts of the plan, have to be re-examined. It is particularly necessary to reduce the scale of the planned budgetary deficit. The experience shows that covering budgetary deficit with the credit of the National Bank of Poland (Narodowy Bank Polski) leads to the issuing of the empty money and limits the possibilities to balance the economy and to fight inflation. The state budgetary deficit should be entirely covered by issuing bonds by the state treasury.

The PUWP CC commission thinks that it is necessary to strengthen mechanisms of maintaining the dynamics of incomes within the planned limits and to ensure the proper relation between the stream of incomes and the supplies of goods and services. With this aim in mind, one should examine also the pace of improving wage relations in the economy so that they do not go beyond the limits of the economy's real possibilities.

A condition for rationalizing income policy consists in attaining high effectiveness in the policy of prices.

The PUWP CC commission deems it necessary to solve problems of the policy of incomes and prices by way of social consensus. One should again ask trade unions and organizations representing farmers and other socio-professional organizations to join a socio-state commission for prices and incomes.

Changes in the financial system, proposed by the PUWP CC commission and aimed to improve the market and to reduce inflation, should be supported by business-like proportions planned for 1989. It is particularly important to reduce tension of the annual central plan primarily by curbing the size of investments.

The PUWP CC commission comes out for the swiftest possible creation of conditions for the development of all property sectors to be based on equal rights. It is particularly necessary to put into effect proper tax solutions that will equally stimulate the development of production in the state, cooperative and private sectors.

Socioeconomic Council Addresses Economy

Discusses Plans, Taxes

LD1101231789 Warsaw PAP in English
2217 GMT 11 Jan 89

[Text] Warsaw, Jan. 11—Today the Socio-Econmic Council ended the first part of its two-day debates with the adoption of three opinions: on the national economy consolidation plan and the draft law on a change in the national socio-economic plan (NPSG), on the draft state budget and draft financial plans, and on bills related to changes in the tax system.

The council said that the consolidation plan includes many interesting proposals which can lead to deep changes in the socio-economic system, provided they are consistently implemented.

The proposed changes in the national plan met with some objections. It was regarded as right to limit investments but the council's members pointed to several investment projects which were outside the priorities of the consolidation plan and preserved the current structure of the economy.

The stand on the draft state budget and draft financial plans was taken after animated discussion. The suggested changes, that is maintenance of the population's real incomes, reduction of discrepancies between pays in the material and the non-material productions spheres, priority given to housing construction, agriculture and environment protection in budget spending, are socially right, but they result in deepened imbalance and a budget deficit of an unprecedented scale. This scale assumes a priori the lack of possibilities for consolidating money and indeterminable delays in reaching budget balance.

The bank's financial reserves do not cover some 1.2 billion zlotys of the credit plan. This must cause increased issue of money and inflation. It is estimated that over 1.4 trillion zlotys will not be covered in the goods market.

The Socio-Econmic Council motioned to thoroughly reexamine budget expenses and visibly limit them. It was also postulated to introduce additional sources of aiding the budget, for instance, the sales of bonds to cover the budget deficit.

The council was also critical of bills on taxes and negatively assessed proposals concerning new regulaitons limiting pay growth without any links to the effectiveness of management and production growth.

The council stated that a complex taxation system should be worked out and adopted till next September 30 and come info effect as of Jan. 1, 1990.

The council will continue debates tomorrow.

Comments on Draft Laws

LD1201214088 Warsaw PAP in English
1815 GMT 12 Jan 89

[Text] Warsaw, Jan. 12—The Socio-Economic Council today ended its two-day debates with pronouncing seven opinions on draft laws tabled in the Sejm (parliament) by the government and deputies. Most of the laws will be of crucial importance for the shape of economic policy in the coming years.

On Thursday, the debate's agenda included, among other things, the draft banking law and the draft law on the national bank of Poland. The council expressed an opinion that the introduction of a two-level banking system, that is separating the function of the central bank as the money issuing bank from that of commercial banks which render services for economic subjects and the population favours banks' exerting a better influence on economic processes. This should create premises for controlling the outflow of money.

The council also passed an opinion on the draft law on the fund of servicing foreign debt and the draft law on the fund for the development of exports. The council found it purposeful to exempt enterprises from payments to the fund of servicing foreign liabilities and to create a fund for the development of exports. A postulate was made that the minister of foreign economic relations should report to the Sejm at annual intervals on the utilisation of resources taken from that fund.

The council pronounced an opinion on the deputies' draft law on handicraft. It was stated that the draft did not meet the needs and expectations of the respective

circles in a satisfactory manner and required substantial changes which would take into account, among other things, the regulations introduced by the law on undertaking economic activity.

Council of Ministers Views Religious Policy

AU1101140989 Warsaw TRYBUNA LUDU in Polish 6 Jan 89 p 2

[PAP report: "Council of Ministers Sociopolitical Committee Meets: Religious Policy During 1988"]

[Text] On 5 January the Council of Ministers Sociopolitical Committee examined a report on the implementation of the provisions of state religious policy during 1988. The report was delivered by Wladyslaw Loranc, head of the Office of Religious Affairs.

State religious policy is based on the constitutional principles of freedom of conscience and religion, the secular nature of the state, the freedom for churches and other religious associations to perform religious functions, and equal rights and duties for citizens, regardless of their attitude toward religion. These principles are of a permanent kind. They are to have a foundation in legislation, on which work was carried out intensively during 1988. The basic points of a draft convention between the PPR and Holy See have been prepared, and it is to provide the basis for the establishment of full diplomatic ties. It was drawn up jointly by representatives of the government and the episcopate, and was conveyed to the Vatican in June 1988. It is expected that work on the draft convention, in which representatives of the Holy See will be involved, will be completed this year.

Work on a draft law on the position of the state with respect to the Roman Catholic Church has also reached its final stages. In 1988 representatives of the government and the episcopate met as many as 86 times to draw up a draft document regulating the legal status of the Roman Catholic Church. The document is made up of preambles and about 70 items.

The equality of all churches and religious associations before the law is the general principle that underlies another draft law that is being prepared at the same time: a law guaranteeing freedom of conscience and religion. It is being produced jointly by the government side and the churches grouped together in the Polish Ecumenical Council. This document will provide a basis for regulating the principles governing the creation of churches and other religious associations, their rights, and the position of the state with respect to churches and religious associations. It also pertains to individual freedom of conscience and religion.

The completion of work on these three pieces of legislation should help to preserve positive elements in religious relations. While respecting the principle of the separation of church and state, there is a possibility and a need for churches and religious associations to be actively involved in resolving issue of fundamental significance for the successful development of the state and the strengthening of its position in the international arena.

During 1988 work was continued on establishing norms for the position of religions, other than Roman Catholicism, that operate without being legally recognized.

Last year also saw a significant increase in the level of activity of lay religious groups that took the form of, for example, efforts to establish new associations representing various sociopolitical views, having a variety of goals, and engaging in activities that vary in their scope. Several dozen new associations, funds, and other lay religious institutions of a national and regional kind have been registered.

The Sociopolitical Committee also examined a draft Council of Ministers resolution on different types of official passports. The resolution will replace the 1971 regulations and will fill gaps in the law and adapt solutions according to needs arising from the norms of international law, and international practices, as well as the new form and structure of central organs of government and the state administration.

The meeting was chaired by Aleksander Kwasniewski.

Party, Religious Leaders Meet 12 Jan

LD1301030089 Warsaw Television Service in Polish 1830 GMT 12 Jan 89

[Text] The leaders of the allied parties—Wojciech Jaruzelski, Roman Malinowski, and Tadeusz Witold Mlynczak—met today, together with Mieczyslaw Rakowski, chairman of the Council of Ministers, and Jozef Czyrek, member of the Politburo and secretary of the PZPR Central Committee.

A meeting also took place of the PZPR Central Cooperation Commission, the ZSL, and the SD, as well as the Catholic and lay Christian movements: PAX, the Christian Social Union [ChSS], and the Polish Catholic-Social Union [PZKS]. Participating on behalf of the PZPR were Wojciech Jaruzelski, Stanislaw Ciosek, Jozef Czyrek, Zygmunt Czarzasty, and Boguslaw Koldziejczak; on behalf of the ZSL: Roman Malinowski, Tadeusz Szelachowski, Bogdan Krolewski, and Aleksander Luczak; on behalf of the SD: Tadeusz Witold Mlynczak, Kazimierz Modzelewski, Jerzy Gruchalski, and Edward Zglobicki; as well as Zenon Komender, chairman of the PAX Association; Kazimierz Morawski, chairman of the ChSS; Wieslaw Gwizdz, chairman of the PZKS; Jan Dobrz Czynski, chairman of the PRON National Council; and Mieczyslaw Rakowski, chairman of the Council of Ministers.

The most important political and socioeconomic problems were discussed. The participants in the meeting declared themselves decidedly in favor of political and

economic reform; a widening of social dialogue; and the acceleration of the roundtable talks, an idea which is the expression of a consistent implementation of national accord.

Rakowski, Olechowski To Visit FRG in Jan

LD0401093289 Warsaw Domestic Service in Polish 0900 GMT 4 Jan 89

[Excerpts] Premier Mieczyslaw Rakowski will pay a working visit to the FRG on 20 January. [passage omitted]

Next week Polish Foreign Minister Tadeusz Olechowski will visit the Federal Republic. The West German press writes that the talks between the foreign ministers and, of course, of Premier Rakowski, will lead to the removal of contentious issues between Poland and the FRG.

Jaruzelski, Rakowski Greet PRK Leaders

AU1201171289 Warsaw TRYBUNA LUDU in Polish 7-8 Jan 89 p 2

[Greetings telegram from Wojciech Jaruzelski, PZPR Central Committee first secretary and chairman of the PPR State Council, and Mieczyslaw F. Rakowski, PZPR Politburo member and chairman of the PPR Council of Ministers, to their PRK counterparts on the occasion of the PRK's national day]

[Text] To Comrade Heng Samrin, general secretary of the Kampuchean People's Revolutionary Party and chairman of the PRK State Council, and Comrade Hun Sen, chairman of the PRK Council of Ministers, in Phnom Penh.

On behalf of the PZPR Central Committee, the State Council, the Council of Ministers, and the Polish people, we convey to you dear comrades, and through you to the Central Committee of the Kampuchean People's Revolutionary Party, the PRK State Council, the PRK Council of Ministers, and the entire Cambodian people, cordial greetings and congratulations on the occasion of your National Day—the 10th anniversary of the proclamation of the PRK.

The Polish people harbor sincere sympathy and respect for the achievements of the PRK in rebuilding and developing the country, and strengthening its independence. It supports the PRK policy aimed at peacefully resolving domestic problems and at achieving national accord.

We believe that Polish-Cambodian friendship and cooperation will continue to be strengthened and to develop in the interests of both peoples, and of peace and progress.

On the occasion of your national day, we wish the entire Cambodian people and you, esteemed comrades, further successes in developing and strengthening your fatherland, as well as success in implementing the resolutions adopted at the Fifth Congress of the Kampuchean People's Revolutionary Party and in strengthening the international position of the PRK.

Wojciech Jaruzelski, PZPR Central Committee first secretary and chairman of the PPR State Council;

Mieczyslaw F. Rakowski, chairman of the PPR Council of Ministers.

Elena Ceausescu's Birthday Honors Continue

SCINTEIA Pays 'Homage'

AU0601175189 Bucharest AGERPRES in English 1714 GMT 6 Jan 89

["Contribution to the Affirmation of Science, to the Development of the New System, to the Building of a World of Peace and Collaboration"—AGERPRES headlines]

[Text] Bucharest, AGERPRES, 06/01/1989—An article paying homage to Academician Elena Ceausescu, D. Sc, on her birthday and the anniversary of over five decades of revolutionary activity devoted to the Romanian people's social and national liberation, to the multilateral development of economy, authored in daily SCINTEIA /January 6/ by Ion Ursu, alternate member of the Executive Political Committee of the CC of the RCP, first deputy chairman of the National Committee for Science and Technology, reads inter alia:

A patriot scientist, prominent socio-political activist, affirmed at home and the world over through tireless work and great achievements, Comrade Elena Ceausescu is a bright, reference personality for the whole Romanian intelligentsia as well as for all working people in Romania.

Comrade Elena Ceausescu has made—both in the years of underground activity and in the period after the country's liberation—a valuable contribution to the heroic struggle of the Romanian Communist Party for the establishment of social justice and the implementation of the socialist revolution in Romania, carrying on large and prodigious activity both in the front line of the priorities of political, party work, and in science, education and culture.

Asserting herself as a valuable researcher in chemistry and chemical engineering and also as an active factor of the translation into life of the RCP orientation toward linking science to practice, to the concrete and future needs of life, Academician Elena Ceausescu D.Sc, has committed herself with all forces to the accomplishment of a project that has acquired exemplary value for the whole conception of organization of Romanian research: the organic integration of chemical research and engineering, as well as higher learning in chemistry with the development of the national chemical industry, relying upon the confidence that chemical sciences and industry they sustain have nowadays the capability to offer the nation and the world substantive solutions to the numerous development-related issues.

According to that outlook, the Chemical Research Institute in Bucharest became, under her guidance, the Central Institute of Chemistry—a true scientific council, a focus of progress for the Romanian chemical and petrochemical industry as a whole. That standard institute, created and headed by Elena Ceausescu, served as a model for other central institutes, set up in the major branches of socioeconomic activity, which have provided for a true, comprehensive link between research, design, higher education and production, which materialized in the creation of integrated sites of chemistry, physics, electronics, aeronautics, and others.

Elena Ceausescu's significant results in chemical research and engineering found their expression in a scientific work that enriches specialty literature and enhances the international prestige of Romanian science. Tens of scientific papers, printed by prestigious publishing houses, reports in specialty magazines of great professional authority or in national and international symposia and congresses, as well as more than 20 invention patents, which resulted in technologies and industrial products, gained their author the unanimous respect and appreciation of the scientific world.

Personalities of the international scientific life praised Elena Ceausescu's scientific merits, highlighted the special quality of her research work in macromolecular compounds and in polymer and rubber chemistry which, owing to its targets, orientation and results, represents a telling proof of an advanced outlook on the act of scientific creation, on the role of research in the contemporary world.

A vast, dense scientific work, which plays a deciding role in the development of fundamental and applied chemistry in Romania and contributes to the expansion of some of the most important lines of research in contemporary chemistry, is thus praised.

To a direct involvement in research work and to the decisive role she plays in guiding and coordinating that work, Elena Ceausescu added a permanent concern to place Romanian science within a framework of broad international communication and cooperation.

The assertion of science as a field and a means of dialogue among nations, of promotion of the assets of national independence and sovereignty, as a prerequisite for broad, equitable cooperation among states, irrespective of their social system, on the basis of equality and mutual advantage, with a view to guaranteeing each nation's right to development, according to its own aspirations, against the background of a new international economic order, is the centerpiece of her lofty outlook on the responsibility of science in the contemporary world, an idea of great political and moral strength that has been received with attention and admiration everywhere.

In her capacity as member of the Executive Political Committee of the Party Central Committee, first deputy prime minister and chairman of the National Council of Science and Education, Academician Elena Ceausescu, D.Sc, makes a deciding contribution to the application to practice of the direct responsibility incumbent on

national science, education and culture, as most significant factors of the country's socioeconomic development, of the implementation of the party programme. Under her guidance, all the sectors of importance for the country's technical progress, for the rise in national income and in national wealth work out and implement important programmes intended to provide for an intensive-type development of the Romanian economy.

Her speeches delivered during national sessions and congresses round off the image of the activist in the field of the policy aimed at ensuring the spiritual flowering of the nation, of the promoter of the revolution in science and technology in all the areas of life and work of the Romanian people, of the active militant for the enhancement of the contribution of science to the development of education and culture. Addressing international forums and prestigious academic meetings in various countries, as well as the session organized by the "Scientists and Peace" Romanian national committee, whose founder and chairman she is, Academician Elena Ceausescu, D.Sc, also proved a representative of the political and moral commitment of Romanian science to the cause of the manysided development of sovereign nations and the resolution of the issues of the contemporary world.

Olteanu Offers Tribute

AU0701170289 Bucharest AGERPRES in English 1233 GMT 7 Jan 89

["Contribution to the Elaboration and Carrying Into Effect of the Romanian Internal and Foreign Policy, to the Flourishing of Romanian Science, Education and Culture"—AGERPRES headline]

[Text] Bucharest, AGERPRES, 07/01/1989—In a homage-paying article dedicated to the birthday anniversary of Academician Elena Ceausescu, D.Sc., put out in SCINTEIA of January 7, Constantin Olteanu, member of the Executive Political Committee of the CC of the RCP, writes inter alia:

Remarkable party and state leader, eminent scientist aroused from among the working class, the Romanian people, whose aspirations she serves with ardent patriotism and unflinching revolutionary creed, joining the creative, militant spirit with the passion for promoting the new into social life, in science and technology, Comrade Elena Ceausescu, member of the Executive Political Committee of the CC of the RCP, first deputy prime minister, chairwoman of the National Council for Science and Education, is a bright example of work and life devoted to the homeland and the party, to the people's welfare and happiness, to the cause of socialism and peace throughout the world.

Since the difficult years of the underground movement, Comrade Elena Ceausescu asserted herself in the activity carries on within the party, within the youth organization and the trade unions as a firm and fearless militant for defending the people's democratic rights and liberties, against fascism and war, for liberating the country, for socialism.

The era of deep revolutionary renewals opened by the Ninth RCP Congress, the years of strenous work for building the multilaterally developed socialist society powerfully proved the remarkable qualities defining the personality and activity of Comrade Elena Ceausescu who carries on an intense and fruitful social-political activity contributing to the organization on new bases and to the highly competent coordination of very important domains which ensure the homeland's progress on the socialist path.

Comrade Elena Ceausescu's contribution to the elaboration and translation into life of the party and state policy is also reflected by her activity devoted to the selection, training and promotion of cadres, to the guidance of the activity for the exigent application of the resolutions of the party Central Committee and of the country's laws in the domain.

In the process of elaborating and carrying into effect the party policy, Comrade Elena Ceausescu manifests a great concern for science, education and culture which should serve the people's fundamental interests.

Benefitting from Comrade Elena Ceausescu's permanent guidance, the Romanian science has known a powerful, unprecedented development of its material and cadres base. The results of the research have increased every year, while their application into production became the central axis of the science-related policy which rises the social function of science to a superior level in the entire process of multilaterally developing the new system.

Owing to Comrade Elena Ceausescu's direct contribution, the Romanian school has known a continuous process of renewal, ever better meeting the requirements of production, of the unprecedented dynamics of the socioeconomic development.

Appreciated by prestigious scientific research fora in many countries, the works of Academician Elena Ceausescu, D.Sc., in chemistry—vanguard science of contemporary era—prove a daring researcher, with a renewing thinking. Translated and put out in numerous countries, her scientific works contribute to the more powerful assertion of the Romanian people, of Socialist Romania, to the enrichment of universal thinking and knowledge.

Owing to the theoretical and practical value of her work, to the brilliant way in which it meets the contemporary requirements, Comrade Elena Ceausescu enjoys broad national and international recognition proved by her

election as member and member of honour of many prestigious scientific institutions, by the award of high titles by specialty fora, academies and universities throughout the world.

Comrade Acad. Elena Ceausescu, D.Sc., is known all over the world as a tireless promoter of the ideals of understanding, collaboration and peace among nations, as a frontranking militant protecting the people's fundamental right to life, to free and dignified existence.

Highly appreciated both at home and abroad is Comrade Elena Ceausescu's sustained activity as chairwoman of the National Committee "Scientists and Peace" toward joining all efforts and increasing the contribution of scientists and men of culture of everywhere to the settlement of the grave political, economic and social questions confronting mankind so that all the gains of science and technology serve only the peoples' progress and welfare, the achievement of a world of understanding and collaboration protected against the threatening ghost of war.

E. Ceausescu Expresses Gratitude

AU1001121589 Bucharest SCINTEIA in Romanian 8 Jan 89 pp 1, 3

[Speech by Elena Ceausescu, member of the Political Executive Committee of the RCP Central Committee and first deputy prime minister, at the celebration marking her birthday, in Bucharest on 7 January]

[Text] Esteemed comrades: I take particular pleasure in expressing warmest thanks to the party and state leadership for the high title of "Hero of the Socialist Republic of Romania" that was awarded me today, and for the words of appreciation and wishes conveyed in the letter of the Political Executive Committee of the party Central Committee on my birthday and for my longstanding revolutionary activity among the ranks of the RCP. (applause)

I view all this as an expression of our party's and people's particular appreciation for my revolutionary activity as RCP activist and for my contribution to implementing our party's general domestic and foreign policy of developing the forces of production, science, and culture; of constantly improving the material and cultural standard of living of all our people; and of constantly strengthening Romania's independence and sovereignty. (applause)

At this point it gives me great satisfaction that for more than 50 years now I have been among the ranks of the revolutionary movement of our Communist Party, and I have participated, in all circumstances, in the struggle against fascism and war, and for achieving the antifascist and anti-imperialist revolution for social and national liberation, and for socialist construction in our homeland. There is no greater satisfaction for me, in fact for any revolutionary activist and any communist, than to participate actively in achieving the great ideals for freedom, justice, and independence; in the great changes achieved by our people under the leadership of our glorious Communist Party; and in building the new social system and the comprehensively developed socialist society. (applause)

As the party secretary general justifiably stressed in his speech to the great democratic forum at the end of November, in a relatively short historic period Romania has turned from a poorly developed country into an agrarian-industrial country with a powerful industry, with an agriculture in full development, and with great accomplishments in the area of science, education, and culture, which are decisive factors for the progress of our socialist homeland in general.

All these great accomplishments have ensured a general improvement in the level of civilization and in the material and cultural well-being of all our people.

We owe all this to our party's correct policy of consistently applying the general laws and the principles of scientific socialism to the specific conditions in our country.

The great accomplishments are the result of the devoted work of the workers class, the peasantry, intellectuals, and all our people, who, in close unity and under our party's leadership, are unflinchingly implementing the general policy aimed at our homeland's march forward on the road to socialism and communism.

We are at the beginning of the Fourth 5-Year Plan, 1986-90, which will ensure the implementation of the strategic targets put forward by the 13th RCP Congress and National Conference aimed at the intensive development and modernization of all areas on the basis of the most modern achievements of science and technology and at implementing the new agrarian revolution.

On this basis the necessary conditions will be created for Romania's move to a higher stage of socioeconomic development.

In the spirit of the plans and programs, and of the far-reaching guidelines included in the party secretary general's programmatic speech to the great democratic forum in November, it is decisive now to act with all our energy to commendably implement all targets aimed at socioeconomic development. (applause)

I would like to mention, especially, the important role that has to be played by science, education, and culture, as well as the need to do all we can to base all our activities in all areas on the most modern achievements of science and technology, and on human knowledge in general.

We must constantly perfect scientific and technical research in order to commendably implement the great targets that guarantee our country's rise to new heights of progress and civilization and in general the improvement of the level of scientific, cultural, and political knowledge of our whole nation.

Once again I would like to emphasize the correctness of the foreign policy promoted by our party and by Socialist Romania aimed at developing cooperation with all the socialist countries, with the developing countries, and with the developed capitalist countries in the spirit of the principles of peaceful coexistence, as well as with all states in the world, irrespective of social system.

Taking into consideration the current complex and serious international problems, it is necessary for us to take firm action toward disarmament, primarily nuclear disarmament, and to definitively eliminate weapons of mass destruction, both chemical and nuclear, in order to move to negotiations on a radical reduction of conventional weapons.

Romanian scientists, and all Romanian people, fully support the Romanian president's concept and work with great determination to implement foreign policy targets which are fully in keeping with the interests of our people and with those of all nations in the world.

We will actively participate in implementing the desires of the whole of mankind, namely to live in a world without weapons and wars, in a world of cooperation, equality and justice, and of independence and sovereignty for all nations.

We have begun the year that marks the 45th anniversary of the antifascist and anti-imperialist revolution for social and national liberation and in which the 14th RCP Congress will be held.

I want to assure the party and state leadership and all our people that I will do all I can to contribute to the implementation of the great targets for this year and the overall 5-year plan and to the achievement of the wonderful prospects up to the year 2000, thus contributing to Romania's rise to new heights of progress and civilization and to implementing the party program of building the comprehensively developed socialist society and of creating the necessary conditions for firmly advancing toward the golden dream of humanity—communism! (applause)

Let us do all we can to constantly enhance the revolutionary spirit of work, let us strengthen responsibility and discipline, and let us work to enhance our party's strength, its unity, and the unity of the Central Committee headed by the party secretary general to a greater extent! (applause)

I will continue to work, as I have done so far, with all my energy and in a revolutionary spirit to implement the wonderful prospects for our homeland's development; as I have done from early youth, I will serve the cause of well-being and happiness of our people, and the cause of socialism, freedom, dignity, and Romania's independence and sovereignty with all my being! (applause)

I would like to take this opportunity to express warmest thanks to the party and state activists, to the Communists, working people, and to all those who have conveyed congratulations and wishes on my birthday. (applause)

In conclusion, I would like to extend to the Political Executive Committee, the Central Committee, and to the whole party and people, best wishes for ever new successes in successfully building socialism and communism!

I wish all of you much good health! (lively applause)

Elena Ceausescu's Works Published in Moscow

AU3012160088 [Editorial Report] Bucharest SCINTEIA and ROMANIA LIBERA in Romanian on 28 December each carry on page 6 a Moscow datelined identical 3,000-word report entitled "Warm Homage and Great Appreciation for the Most Prestigious Representative of Romanian Science: Comrade Academician Dr Engineer Elena Ceausescu's 'Progress in Polymer Chemistry and Technology' Has Been Published in Moscow."

According to the report, the Moscow ceremony marking this event was attended by A.M. Prokhorov, member of the Presidium of the Academy of Sciences of the USSR and Nobel Prize winner; Academician N.K. Kochetkov, author of the preface to the edition in Russian; K.M. Dyumayev, deputy chairman of the State Committee for Science and Technology of the USSR; as well as by other academicians, scientists, researchers, and executives.

The report adds that those who took the floor during the ceremony stressed that the publication of this volume "constitutes a fresh and important contribution to the development of Romanian-Soviet cooperation in the area of science and technology." It continues by noting that they praised Elena Ceausescu's "important merit" in setting the foundation for "research in the area of chemistry and modern petrochemistry." Moreover, the report states, the speakers said that the publication of such scientific works "serves the strengthening of mutually advantageous cooperation between our countries and peoples and the progress of science in general."

1989 Housing Construction Program Outlined

AU1301105689 Bucharest AGERPRES in English 0921 GMT 13 Jan 89

["Comprehensive Program of Housing Construction in 1989"—AGERPRES headline]

[Text] Bucharest, AGERPRES, 13/01/1989—The year 1989 is an important stage in the efforts made in Romania for the settlement of the housing issue. According to the annual program, over 120,000 flats are to be

made available in towns and other 40,000 flats in the rural milieu and this will add to a large number of dwellings to be built by citizens with support from the state, especially in villages.

As many as 750,000 flats are planned to be built out of the state funds all along the 1986-1990 five-year period, with a useful area of 45,000 million sq.m., that will benefit over two million people.

Romania's current housing stock is mostly built in the post-war years. As a matter of fact, housing construction has been a priority target of the annual and five-year plans of socioeconomic development. As a result of that policy, more than 82 per cent of the country's population now lives in new homes. Over 1965-1988 alone, more than 2.6 million flats were built by the state and the population built from its own funds hundreds of thousands of houses.

The housing construction rates differ from one county to another, taking account of the needs of the population. The annual average of flats made available in such counties as Salaj, Bistrita-Nasaud, Covasna, Braila, Dolj, Pitesti, etc. tops the all-country average. As many as 570,000 flats were built in Bucharest, the country's capital, that lives through a fast urban renewal. Bucharesters will receive this year 44,000 more flats with a greater degree of comfort.

Romania plans to settle by and large the housing issue for all town residents by 1995, and by 2000 every inhabitant will have ensured a habitable area of at least 14 sq.m. plus annexes extending it up to 18-20 sq.m.

Festive Meeting Marks Cuban National Day

AU1201202489 Bucharest AGERPRES in English 1920 GMT 12 Jan 89

[Text] Bucharest AGERPRES, 12/1/1989—On the 30th anniversary of the victorious revolution, the national day of the Republic of Cuba, on January 12 a festive meeting was held in Bucharest.

Talking about the significance of the event under celebration was Elena Capitaneanu, first secretary of the party committee of the fourth district in the Romanian capital.

Everything achieved in the Republic of Cuba in the 30 years since the victory of the revolution, said the speaker, is the direct outcome of the creative work done by the industrious Cuban people under the leadership of its Communist Party. The working people, the Communists, all the citizens of Socialist Romania know and appreciate the sustained activity of the Cuban people, rejoicing sincerely over its great achievements.

The relations of friendship, solidarity and collaboration between the two parties and countries, stressed the speaker, have grown continuously, particularly as a result of the talks and understandings reached at summit level, which opened new prospects of expansion and collaboration.

The floor was next taken by Jaime Gispert, counselor of the Bucharest Embassy of the Republic of Cuba, who showed that with the victory of the first of January, 1959, for the first time in Cuba's history the people took the power in its hands. Currently, the speaker said, Cuba's economic policy follows an ascending course in the firm construction of socialism, the people making achievements in all the domains of activity—economy, education, science and health care. Referring to the Cuban-Romanian relations he pointed out that the ties of friendship, solidarity and multilateral collaboration between the two countries and peoples traverse an ever ascending course, new possibilities being created for the expansion of the collaboration between Romania and Cuba.

Federal Conference Presidium Holds Proceedings

Suvar Reports on Montenegro

AU1201170789 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 12 Jan 89

[Momcilo Boskovic report on SAWPY Federal Conference Presidium discussing the events in Montenegro at its session in Belgrade on 12 January]

[Text] Stipe Suvar informed the members of the SAWPY Presidium on the political situation in Montenegro. He said among other things that at its session yesterday, the LCY Presidium discussed the latest events in this republic. What is most essential, he said, is that there had been no violations of public order.

Without entering into the causes that led to the Montenegro situation, I may say that the difficult situation in the economy contributed to it to a great extent, Stipe Suvar stressed. He added:

[Begin Suvar recording] The majority of workers have a low standard of living, and much of the population, with the exception of the littoral belt, is at subsistence level if they have no other sources of income. Furthermore, unemployment among youth, especially educated youth, is among the highest in the country. We all know that this could have contributed to the much higher dissatisfaction there, although people are dissatisfied all over the country.

Be that as it may, dissatisfaction of all kinds and for all reasons had amassed in Montenegro and, at the 2-day meeting which was attended by quite large masses, culminated in political demands for the dismissal of the leaderships of the underdeveloped republic—the executive leaderships, with the exception of the youth and veteran leaderships—and it seems that this will extend to a majority of the communes in Montenegro, if not to all of them.

People think that in this way alone matters in Montenegro will run better. But it is clear to us, let me add, that there can be no improvement in Montenegro unless production picks up in all of Yugoslavia and inflation begins to slow down. This is precisely what all the speakers stressed on the first point of the agenda when we discussed the candidate for the FEC president and the duties of the new FEC. [end recording]

A session of the LCY Central Committee will discuss the latest events in Montenegro soon, perhaps as early as next week, Stipe Suvar said.

In the view of Petar Rakocevic, the situation in Kosovo influenced the justified dissatisfaction of the Montenegrins and of other people to a great extent. Our hesitation, especially after the 17th session of the LCY Central Committee, intensified this dissatisfaction and the massive reaction by the people even more. One must not lose sight of the fact that maps of a Great Albania are being manipulated or constantly disseminated, and in an increased fashion. These maps show the capitals of Montenegro and Macedonia included in Great Albania. In his opinion, federal organs, through the inefficiency of their measures, also contributed greatly to the events in Montenegro.

Nenad Bucin was of the same opinion. He added that lessons should be drawn from the Montenegrin events, not only by the Montenegrin Communists, but by the LCY as well. One must strive for a system in which a repetition of these events will simply be impossible.

According to Joze Smole, what happened in Montenegro was in fact a destruction of the legal constitutional system, and the entire country should be interested in it because it jeopardizes the normal functioning of the collective chief of state.

Mirko Ostojic responded to Smole's statement:

[Begin Ostojic recording] If I understood Comrade Smole, there exists a thesis that what happened in Montenegro was in fact the destruction of the legal constitutional system, and the entire country should be interested in this. The question may arise whether Comrade Smole feels a need for some sort of intervention in Montenegro, either white or red, military or civilian. The question may also arise why the comrades from Slovenia do not inform us about the new political system they are setting up in their republic. This system has no connection with the system that exists in Yugoslavia at present and that is linked to the existing Constitution. [end recording]

Concluding the discussion, Bozidar Colakovic, president of the Federal Conference, said that we must impress upon the federal organs that, because of the difficult economic situation in Montenegro, all the commitments toward this republic should be fulfilled as soon as possible. In addition, extra efforts must be made so that the situation in Kosovo stabilizes as soon as possible, in order to contribute to the general stabilization in the country.

FEC Nominations Debated

LD1201230589 Belgrade TANJUG Domestic Service in Serbo-Croatian 1211 GMT 12 Jan 89

[Excerpts] Belgrade, 12 Jan (TANJUG)—The SAWPY Federal Conference Presidium confirmed today, the 7th day since the FEC resigned, a list of 20 potential candidates for the post of FEC president. The list, in fact, comprises the individuals who have already been listed in SAWPY's republican and provincial organizations and in the sociopolitical organizations at federation level, plus six individuals selected by the SFRY Presidency.

Two of them, Ante Markovic and Borisav Jovic, are the ones most often proposed as contenders for this function. They were the most frequently mentioned in the preliminary proposal by the SFRY Presidency, and in today's discussion they were viewed again as the most likely candidates for the new premier.

All SAWPY republican and provincial organizations will give their views of the candidates of 17 January. The following day, on the basis of proposals and written explanations, the SAWPY Federal Conference Presidium will draw up the final, and probably reduced, list and will convey it to the SFRY Presidency, which will then select one individual.

In addition to Markovic and Jovic, the following are on this list: Tomislav Badovinac, Radoslav Bulajic, Cedomir Djuranovic, Gligorie Gogovski, Petar Gosev, Desim Jeftic, Stefan Korosec, Milan Kucan, Marjan Korosic, Ljubomir Madzar, Ardrej Marinc, Radoljub Micic, Ante Milovic, Milos Milosavljevic, Slobodan Milosevic, Dusan Sinigoj, Vojo Srzentic, and Dragoje Zarkovic. [transmission interrupted; TANJUG part 2 not received]

As soon as the SFRY Presidency receives the final proposal from the Socialist Aliance it will immiediately confirm the candidate for the FEC president to ensure prompt consultations on the members of the government.

The SFRY Presidency maintains that the candidate for the office should present to the public prior to the Assembly election procedure his views on and the program of the FEC's involvement in the implementation of the economic reform; on the ways of fulfilling the essential aims of the economic policy; reviving and ensuring economic growth; curbing and halting inflation; unburdening the economy; the consolidation of the results achieved so far; further efforts necessary in foreign economic relations; and the work of the government in other areas within its competence.

Dizdarevic stressed that in the procedure of electing the president and the members of the FEC, all should bear in mind the country's most pressing needs in an extremely complex and difficult situation, and the necessary efforts which we must undertake to emerge from the crisis. This should be demonstrated by the search for the best solutions, and I believe that no one can expect to avoid responsibility for the country in performing this specific task, Raif Dizdarevic said.

The impression of the SFRY Presidency, Dizdarevic said, is that to this point, a high degree of unity has been achieved in the debates, both with respect to the criteria which should serve as the starting point in the search for the new mandatory and in later work on the composition of the FEC.

The SFRY Presidency believes that the candidate for the FEC president should be sought from amongst those actively campaigning for radical economic reform and participating in the preparations for the reforms. The primary criteria are, in our view, orientation toward and involvement with the reforms, competence, moral purity, and the moral integrity of the candidate, Dizdarevic said. This applies both to the president and to the members of the government.

This means that we should search for an expertly qualified FEC, composed of people who have achieved results in their profession, in practice and science, in industry, and in other areas of social work and in the state organs.

The FEC president should be a personality who is accepted and supported by everyone in the country and who will be accepted by, and have the confidence of, the public at large, a campaigner for a unified market and common interests and a personality who can gather around himself in the FEC and in cooperation with them, the most competent cadres from industry and science, Dizdarevic said.

The SFRY Presidency is also of the view that when it comes to the final selection and proposals for candidates for members of the Federal Executive Council, the mandatory must be given free reign and full support by all.

Dizdarevic suggested that the new government should include more younger and competent individuals.

He said that in the case of the three federal secretaries—for national defense, and foreign and internal affairs—the SFRY Presidency will inform the mandatory about its own view since the Presidency has special constitutional responsibilities and duties in these spheres.

Dizdarevic also said that the SFRY Presidency had been informed that the SR of Macedonia has put forward Gligorie Gogovski and Petar Gosev as its candidates.

The Presidency's view on the issue of rotation of the republics and provinces in the post of the president of the Federal Executive Council is that best solutions must be found to tackle the tasks facing this organ. If several such candidates are in the running, preference must be given to candidates from the republics which have not had officials in this post for a long time. However, Dizdarevic reiterated, the SFRY Presidency insists on the best solutions, since that is what the country needs.

The debate supported the advocacy of the SFRY Presidency that the mandatory, prior to his election, address the public with his views on how to find a way out of the crisis, and primarily on halting and curbing inflation. It was proposed that the shortlisted candidates be publicly challenged on television.

In Macedonia we are prepared to accept what is good for all the republics and provinces, Metodi Petrovski said. He proposed—and this was accepted—that Gligorie Gogovski and Petar Gosev, president of the Macedonian executive Council and member of the Macedonian LC Central Committee Presidium respectively, be on the list of possible candidates for FEC president, which will be sent to the republics and provinces.

Opting for Ante Markovic, Joze Smole said that this is the person who offers a guarantee for the consistent implementation of the economic reform and the halting of inflation. He advocated the mandatory's public and clear anti-inflationary program and entry into the government by the best specialists.

Smole, like all other representatives of Slovenia at today's session, spoke in Slovene. However, there was no translation, so it remained a possibility that some nuances in these speeches were not fully understood.

In the debate Ines Saskor informed those present that Ante Markovic is the candidate of the SR of Croatia, while Ante Milovic pointedly refused to be a candidate for FEC president.

Bogdan Trifunovic then said that Borisav Jovic is the best candidate who could be proposed from the SR of Serbia. As regards the proposal that the candidates include Slobodan Milosevic, Trifunovic said that the stance of the leadership in Serbia, and also the mood among the public, is that he should remain in the period ahead at his post in the republic because of the very complex work which has been begun in this sphere.

Vojvodina has no candidates from its ranks and has opted for Borisav Jovic, Zoran Stojanovic said.

Jovic is also on the list from Kosovo, which also has no candidates from its ranks, Daut Jasanica said. Ante Markovic, Ante Milovic, Slobodan Milosevic, Radoljub Micic, Stefan Korosec, Dusan Sinigoj, and Borisav Jovic have been proposed by this province for the post of FEC president.

Edina Residovic explained the previously publicized list of 12 candidates being proposed by Bosnia-Hercegovina for president; this was also done by Marjan Orozen for the list of the Yuguslav Trade Union Federation Council Presidium. Zofka Klemen Krek disapproved of the fact that the list does not contain a single woman, something which, in her assessment, is a reflection of the situation in society and cadre policy.

Enumerating the desired characteristics of the future premier, Milan Daljevic stressed the Yugoslav orientation and courage toward embarking boldly on a solution to current problems in the country. He advocated rights and the authority for the FEC sufficient enough to prevent its measures from being blocked.

Uros Bajic believes that the public must be informed about what kind of support the new FEC will have in realizing adopted policy. Not even the most competent FEC is sufficient to curb inflation, Bajic stressed.

It is a good thing that we do not stick rigidly to the stance about republican and provincial representation, Mirko Ostojic said. However, he believes, it should be said that we have not renounced it, because if we do we could arrive at a situation where individual republics specialize in certain posts.

Milan Pribic gave a certain priority to Borisav Jovic over Ante Markovic, bearing in mind that no one from Serbia had held this post since the sixties. [passage omitted]

As agreed at the beginning of the session, Stipe Suvar, president of the LCY Central Committee Presidium, briefed those present on events in Montenegro. He stressed as positive the fact that there has been no violation of public peace and order, and that the legality of the system has been maintained, if only formally.

The events in Montenegro have a prehistory, Suvar said, at least as far as the public is concerned, in last year's meetings, especially in the October gathering which was dispersed.

He said that the resignations of Montenegrin officials in the state and party organs must be explained, and that there will be a discussion on the subject in the Montenegrin Assembly and the LCY Central Committee.

At yesterday's session the LCY Central Committee Presidium decided to produce a thorough analysis of the events in the Montenegrin League of Communists, as a part of the LCY, and also of its commitment in this connection from October to this point, and to brief the Central Committee on the results, Suvar said.

The context for the assessment of political events in Montenegro will be the exacerbation of the political situation in the entire country, Suvar said. Relations in the LCY are fairly complex, and there is a lack of unity in some key stances of the 17th session. A situation prevails in which there are certain obstacles which hamper the implementation of our LCY reform.

Suvar warned of the difficult situation in the Montenegrin economy, a low standard of living among the workers, and high unemployment, stressing that this cannot be resolved by Montenegro alone.

Hinting at a possibility that the resignations in Montenegro may spread to the municipalities as well, Suvar said that people believe that things in Montenegro might thus improve. However, it is clear to us that there can be no improvement in Montenegro unless efforts are made to boost production throughout the country and to reduce inflation.

The first speaker was Joze Smole, who said that there are many reasons for demonstrations, but that a question also arises as to what is wrong in our political system, because it always fails in situations such as those that have occurred in Montenegro so far and in Novi Sad in October.

Smole believes that the resignation of Veselin Djuranovic started the crisis in the SFRY Presidency. This organ is the collective head of state and is accountable to Yugoslavia and not just to one part of the country. [passage omitted]

Asking for permission to speak, Stipe Suvar stressed that the LCY should finally cease to be a state party and party in power, and that it must abolish the political monopoly. So far the LCY has agreed with all the things that need to be done, has carried out the cadre policy, and has given instructions to others. The fundamental task of the party at this moment is its operative work and its own reform. Suvar then said that it should be explained and publicly announced that party leaderships are not governments, and that because of economic or other everyday difficulties they cannot be dismissed in the way in which this has been done so far in some environments. This should be explained, Suvar said. Regardless of the analysis of the LCY Central Committee Presidium of the events in Kosovo, Suvar stressed that the SAWPY Federal Conference should also have its stance and its assessments, and that responsibility should be established. He believes that in principle this is the responsibility of all federal subjects, as well as all those in other republics and provinces.

Winding up the discussion, Bozidar Colakovic stressed that this is just a preliminary discussion, and more discussions on Montenegro and Vojvodina will follow to produce a mroe detailed analysis of the functioning of the political system. [passage omitted]

The next item on the agenda was on public media and topical political trends in the country. Jak Koprivc, who submitted the introductory report on the subject, said that the information media are far from creating—and they could do so—an atmosphere of and possibilities for the consolidation of relations between republics and provinces and nations and nationalities, and also for the establishment of fresh cooperation forms and not just a formal common life.

This cannot be achieved by censuring, accusations, and the hasty naming of culprits for unfavorable relations, Koprivc said. If the media believe that their purpose—and this unfortunately continues to happen—lies in being isolated within their own little allotted spaces and propagating the specificity of one environment to the detriment of another, then there can be no readiness for opening up on Yugoslav territory and getting acquainted with specific difficulties and guidelines for resolving specific questions in all parts of the country. [passage omitted]

Metodije Petrovski talked in particular about a need to consolidate the cadre structure in newspapers. In order to achieve that, he believes, it is also necessary to take journalists' wages into account. We have a situation at present in which journalists are working for very low incomes, and it is then difficult to pursue a cadre policy. [passage omitted]

Newspapers must have a Yugoslav criterion, but what is that criterion, Ines Sakor asked. It is not some kind of supercriterion, it must respect all our differences. We must not wage our wars over the backs of journalists, she said. She spoke in particular on the danger from nationalism against which we must continually fight. [passage omitted]

The members of the SAWPY Federal Conference Presidium today also endorsed a report on the implementation of program-action principles for the activity of the SAWPY in culture as well as on the topical questions of the further development of culture in Yugoslavia. An introductory report on the above was submitted by Tome Momirovski, who drew special attention to the difficult financial situation in culture and education. [passage omitted]

The SAWPY Federal Conference Presidium finally endorsed the operative plan of work for the Federal Conference and the Presidium for the first 3 months of this year. [passage omitted]

Finally Joze Smole briefed the participants to the effect that in the procedure for listing the candidates for a member of the SFRY Presidency from Slovenia, there will be direct secret elections in the Socialist Alliance and in all the basic organizations. The Socialist Alliance will then be ready to appear before the republican assembly with a candidate chosen in this way.

Vojvodina Names Candidate for FEC President

LD1101224089 Zagreb Domestic Service in Serbo-Croatian 1400 GMT 11 Jan 89

[Text] Dr Borisav Jovic is Vojvodina's candidate for president of the Federal Executive Council. This was stated today by the Vojvodina SAWP provincial conference at a session of a working group acting as president of the conference. It was also said that Vojvodina has opted for Dr Jovic since it has no candidate of its own to put forward as candidate for prime minister designate. It was stressed in an explanation of the decision that Dr Borisav Jovic fulfilled all the necessary criteria and that his work so far was a guarantee for his successful performance.

Youth Group Announces Presidential Choices

LD1101200889 Belgrade TANJUG Domestic Service in Serbo-Croatian 1613 GMT 11 Jan 89

[Excerpt] Belgrade, 11 Jan (TANJUG)—The Presidium of the Federation of Socialist Youth of Yugoslavia today unanimously proposed Ante Markovic, member of the

Presidency of the Socialist Republic of Croatia, and Borisav Jovic, president of the Assembly of the Socialist Republic of Serbia, as candidates for FEC president.

The members of the top youth leadership in the country took the opportunity to underline that the selection of candidates for president of the FEC should be by secret ballot rather than by open ballot.

The Presidium of the Federation of Socialist Youth of Yugoslavia will also propose to the Federal Conference of the SAWPY that all candidates who reach the final round of selection should present a written program of their work and put forward their views on the most crucial issues of the economic and social reform. They will also propose that a special television program be aired to present candidates to the Yugoslav public.

A proposal by Jozef Skoljc—on which he had long insisted—was defeated by nine votes to one. Skoljc had asked the national youth leadership to decide on an initiative of the republican conference of the Federation of Socialist Youth of Slovenia that a civilian rather than a military man fill the post of federal secretary for national defense.

At this moment the question of whether a civilian or a soldier should head the Federal Secretariat for National Defense is not of the utmost importance, Zarko Jovanovic stressed, and went on to say that any decision on this issue would be contrary to the youth organization's stance that the FEC president should select the members of the FEC. [passage omitted]

Federal Chamber Set To Meet 25-26 Jan

LD1201173389 Belgrade TANJUG Domestic Service in Serbo-Croatian 1601 GMT 12 Jan 89

[Excerpts] Belgrade, 12 Jan (TANJUG)—Today's meeting between the president of the Federal Chamber of the SFRY Assembly, Stjepan Novakovic, and presidents of working bodies of this assembly's chamber, agreed that the next session of the chamber would be on 25 and 26 January. [passage omitted]

Today it was agreed that the discussion on the implementation of the Yugoslav program on Kosovo be postponed until the February session, because a report by the FEC and working groups which were in Kosovo has not yet been submitted to the delegates.

Montenegrin Assembly Holds Extraordinary Session

AU1301125789 Belgrade Domestic Service in Serbo-Croatian 1100 GMT 13 Jan 89

[Text] The Assembly of the SR of Montenegro is holding an extraordinary session in Titograd. It was convened because of the events in the republic and in order to decide on the resignations of the Montenegrin Presidency—Veselin Djuranovic, member of the SFRY Presidency from that republic; and its president Velisav Vuksanovic. Here is a report on the session's proceedings by Aleksandar Ljubicic, Radovan Pantovic, and Milorad Jovic:

Let us do everything in our power to strengthen the spirit of democracy and the logic of reason in Montenegro, the spirit of responsibility and confidence in dialogue, people, constitutional institutions, and orientations toward radical changes we are facing. With these words, Dr Bozidar Tadic, vice president of the Montenegrin Assembly opened the debate on the current political and economic situation in the republic.

[Begin Tadic recording] One usually says that the people are never wrong. It is the duty not of philosophy but of practice to confirm or deny this, but it is the basic principle of democracy that those who have been elected to sociopolitical functions must listen to the voice of the public. Democracy implies much more, and that is that this voice of the public that we call public opinion should be created through the free circulation and competition of ideas, views, programs, initiatives, as well as through an objective and public assessment of the work of every body and individual. [end Tadic recording]

The first participant in the debate, Luka Djurkovic from Niksic spoke on the alienation of the bureaucratic class in power in Montenegro and its many economic and political mistakes.

[Begin Djurkovic recording] The only thing left to us is to say publicly that what is involved is not political dust, but the troublesome, difficult, but also noble struggle of the people who have swallowed too much of the political dust that this same bureaucracy used to poison, blind, and (?madden) it. [end recording]

Branko Filipovic from Danilovgrad demanded a broad cadre renewal in all communities of the republic. He quoted the old and wise saying: Now and in the future we must bring to power such people who will not be pouring new wine into old bottles.

[Begin Filipovic recording] [words indistinct] seen. We used to be almost completely on the periphery of events and waited for our leadership to receive instructions from on high, from the bureaucracy, and their assessment on whether we should do something. [end recording]

Vukman Medojevic reproached the Montenegrin leadership for not wanting or not daring to come before the people during the Titograd protest meeting. He demanded that they be called to political account instead of resigning. Milisav Grbovic from Pljevlja is of the opinion that in the future the Assembly must be accountable to the people, and the workers class will have to perform some of its functions without mediators.

[Begin Grbovic recording] What we are doing today has in fact already been done by our workers, students, and young people—in a word, the Montenegrin people—in something I would call a people's uprising that started last October and was then crushed in a very efficient and quick manner. This success was marked by the now former Montenegrin leadership at its famous joint session last October. Congratulations for this success were quickly sent by Stanovnik and some so-called citizens of this state. [end recording]

What happened on 10 and 11 January alone was enough to replace the republican leadership, Velizar Radovic said, and continued:

[Begin Radovic recording] Even if they had abolished the people with some urgent or extraordinary measure, and even if all the results so far had been splendid, as I have said, this protest would have been sufficient reason for them to be replaced because the resignations would have come to them as a reward and not as an indictment.

They left the people and militia to themselves—they might have waited for one of these to lose patience in order to again find a reason for introducing some urgent or extraordinary measures. This is sufficient reason for their replacement. [end recording]

Cedomir Milic said that all that was left to the Assembly today in this test was to formally affirm what the people had decided.

Petar Janjic spoke about the mistaken policy of the leadership regarding some undeveloped regions and cited the example of [name of place indistinct] which has had no access to the world for decades while the Titograd-Shkoder road was being built without problems.

Ilija Zupanovic said that one should shorten the term of office of the Assembly and carry out extraordinary elections as soon as possible, thereby meeting the demands of the people.

No one at this moment, said Sveto Skulatic, should be excused from reasoned criticism. Skulatic spoke about what is to come and said the people certainly have the strength to get out of the crisis, and that the most important thing for this was to change the leadership and create new attitudes toward work.

Accepts Djuranovic Resignation

AU1301125889 Belgrade Domestic Service in Serbo-Croatian 1200 GMT 13 Jan 89

[Text] The extraordinary session of the Montenegrin Assembly in Titograd has concluded. The delegates of all three chambers have discussed the political-security situation in the republic. After the debate on this item on the agenda, the delegates unanimously adopted the conclusion that the Constitutional Commission and the Legislative-Legal Commission should prepare the decision on holding extraordinary elections for the Montenegrin Assembly. This would mean that extraordinary elections for communal assemblies and self-managing communities will also be held. The proposal on the decision of the Montenegrin Assembly will be discussed at the joint session of the chambers on 26 January.

Such a conclusion by the delegates is a logical consequence of the debate in which the prevailing view was that this is a test to be passed before the people. We have not listened sufficiently to their voice, the delegates said, but instead have succumbed to the authority of the leadership.

Harsh criticism was directed toward that leadership during the debate, particularly because of its indolent attitude toward the participants in the Titograd protest meeting.

The delegates of the three chambers of the Montenegrin Assembly have adopted the collective resignation of the republican Presidency. The resignation was expounded on by Bozidar Tadic:

[Begin Tadic recording] I can therefore conclude that the resignation of the Presidency of the SR of Montenegro has been adopted and propose the following decision:

First, the resignation of the members of the Presidency of the SR of Montenegro—Radivoje Brajovic, Muharem Dizdarevic, Dr Bozina Ivanovic, Blazo Orlandic, Olga Perovic, and Milutin Tanjevic—is adopted and their term of office halted.

Second, the election of the new Presidency of the SR of Montenegro will be held, at the latest, within 30 days after this decision is adopted.

Third, the Presidency of the SR of Montenegro remains in office until the new Presidency is elected.

I will now ask everybody who supports such a decision to raise their hands. [a short break follows, during which distant indistinct voices can be heard] Thank you. Is anybody against it? Nobody. Has anybody abstained from voting? Nobody. [Tadic corrects himself] One person abstained from voting, no two. I see that there are two people who have abstained from voting. Therefore, I conclude that the proposal of the decision has been adopted by a majority of votes. The exact number will be written down in the minutes.

Let us now take up the third item on the agenda: Examining the resignation of the members of the SFRY Presidency and the Presidency of the SR of Montenegro. Comrade Veselin Djuranovic, member of the SFRY Presidency... [recording of Tadic interrupted by announcer]

Several minutes ago, delegates of the three chambers of the Assembly of the SR of Montenegro adopted the resignations of Veselin Djuranovic and of its president Velisav Vuksanovic. Bozida Tadic, vice president of the Montenegrin Assembly, then concluded the session.

Radio Report on Session

AU1301141589 Belgrade Domestic Service in Serbo-Croatian 1300 GMT 13 Jan 89

[Text] Titograd—Here is a report from Zivojin Jerotijevic on events in Montenegro today:

After an extensive debate on the current political situation in the republic held at the extraordinary session of the Montenegrin Assembly in Titograd, a group of resignations was adopted. These include the collective resignation of the Presidency of the SR of Montenegro and two individual resignations: that of Veselin Djuranovic, member of the SFRY Presidency from Montenegro, and that of Velisav Vuksanovic, president of the Montenegrin Assembly. The election of the new republican presidency will be carried out within 1 month and until then, the duty of the collective head of state will be performed by the members of this Presidency.

The initiative for the election of the new president of the Montenegrin Assembly will be launched at the next Assembly session on 26 January. The procedure for electing the member of the SFRY Presidency from Montenegro is already under way.

An extraordinary session of the Titograd LC Communal Committee was also held today. The resignation of Dragan Milenic, president of the Communal Committee, was adopted, and there was insistence on the fact that all the demands voiced by workers and students must be consistently obeyed; that is that members and executive secretaries of the Montenegrin LC Central Committee Presidium whose resignations from their offices have already been adopted should also be relieved of their membership in the Central Committee of the LC of Montenegro. If this conclusion is adopted, this would in fact mean that the Central Committee is dissolved, because one-third of its members envisaged by statutory provisions have already been replaced.

The Niksic Communal LC Committee did not support the Central Committee decision that Zorica Kovacevic be appointed coordinator of the working group that was elected by the Central Committee the day before yesterday, and will demand that this decision be changed at the next Central Committee session. Similar opinions have been heard at the session of the Titograd LC Communal Committee, but this demand has not been put down in the form of a conclusion.

According to what we have learned, citizens are gathering in the Bijelo Polje town square at the moment. Although some collectives agreed not to go out into the street, a number of citizens—about 200 to 300 people—are nevertheless in the square already. They are demanding the communal leaderships to submit their resignations.

Titograd LC Committee President Resigns

LD1301142389 Belgrade TANJUG Domestic Service in Serbo-Croatian 1404 GMT 13 Jan 89

[Text] Titograd, 13 Jan (TANJUG)—Dragan Milonjic, president of the Titograd LC Municipal Committee, has tendered irrevocable resignation from this post.

Explaining this decision at today's session of the Municipal Committee of the capital of Montenegro, Milonjic said that this was his moral duty, both toward himself and toward the demands raised at the protest meeting in Titograd, which among other things, called for the resignation of the Montenegro LC Central Committee Presidium, of which he is a member.

Milonjic took up the duty of the president of the Municipal Committee less than a month ago, after the resignation of its former president, Borivoje Drakic.

Pljevlja Demonstrators Demand Cadre Renewal

LD1201160189 Belgrade TANJUG Domestic Service in Serbo-Croatian 1458 GMT 12 Jan 89

[Excerpts] Pljevlja, 12 Jan (TANJUG)—At a meeting of about 10,000 workers, citizens, and young people in 13 July Square in Pljevlja, which began this morning, Vidan Jakic, president of the organizing committee, read out demands in connection with cadre renewal in the municipality. All the demands of the Montenegrin workers and students at yesterday's protest meeting were supported. [passage omitted] It is expected that representatives of the sociopolitical community will soon make a statement on the demands of the Pljevlja workers. The protest meeting in Pljevlja is proceeding without incidents.

Officials Resign as Result

LD1201184189 Belgrade TANJUG Domestic Service in Serbo-Croatian 1815 GMT 12 Jan 89

[Summary] Pljevlja, 12 Jan (TANJUG)—Following the demands of 10,000 people at a protest rally in Pljevlja today, the Presidium of the Pljevlja LC Municipal Committee has tendered its irrevocable collective resignation. The president of the SAWP Municipal Conference, the president of the Council of the Trade Union Federation in the municipality of Pljevlja, and Mladjen Vukovic, a delegate from the Pljevlja municipality who is a member of the LCY Central Committee, have also submitted their resignations.

Milosevic Interviewed on Economic Reform, Serbia

AU1201182889 Belgrade POLITIKA in Serbo-Croatian 31 Dec 88, 1-3 Jan 89 pp 1, 2

[Interview with Slobodan Milosevic, president of the Serbian LC Central Committee Presidium, by Rade Brajovic, chief and responsible editor of VECERNJE NOVOSTI, given during the former's visit to VECERNJE NOVOSTI on the occasion of the paper's 35th anniversary: "The Beginning of the Policy of Justice and Progress"; date not given]

[Text] [Brajovic] Yugoslavia is still alive despite the serious economic crisis intensified by nationalism, statism, divisions, and even the political disunity of the leadership. However, Yugoslavia must quickly overcome this situation and stagnation if it wants to join the developed world. What should we get rid of in order to more quickly overcome the crisis? How do you view Yugoslavia's prospects and our paths to the 21st century?

[Milosevic] I think that under certain conditions Yugoslav society can overcome the present stagnation. First, this is a major cadre renewal which should start from the top, and then encompass the entire society. Second, this is a social reform which contains a program of economic, political, and cultural changes. Economic changes should ensure greater productivity and a greater standard of living. Political changes should ensure the functioning of a modern, efficient, but social democratic state. Cultural changes should ensure conditions for the free development of science, education, and art so that they can follow and contribute to the humane and progressive development of our society as well as the contemporary world in general.

I think that the mobilization for this kind of program would eliminate all forms of hatred which at present characterize our social life. This hatred and our crisis go together. They feed on each other, but they would also wither away together.

[Brajovic] How will Serbia and other federal units, individually and jointly, best contribute to the creation of conditions for building a modern, strong, prosperous Yugoslavia?

[Milosevic] By eliminating the policy which was founded on personal and group interests and the exponents of this policy, and by introducing a policy founded on economic and political justice and prosperity; by striving for a society without exploitation, without a political hierarchy, without national intolerance, and without cultural isolation.

Entire Society Must Be Reformed

[Brajovic] What is Yugoslavism today?

[Milosevic] Yugoslavism is belonging to and being loyal to Yugoslavia as a community of equal peoples and nationalities who are jointly building a society without exploitation and humiliation, an economically and culturally developed society, a rich and just society.

[Brajovic] Are the three announced reforms—which are turned toward (1) establishing the foundations of a modern market economy, (2) building a democratic political system, and (3) transforming the LCY—only the beginning in the development of a modern Yugoslavia? What are the most important things that need to be done in these reforms in order to have a successful start?

[Milosevic] One can speak about three reforms only in a relative sense. I do not see three, but one reform. Splitting the reform—separating one reform from other reforms—has led Yugoslavia to the situation in which no reform has succeeded. The entire society needs to be reformed, from the economy to education. All its spheres are connected with each other and are interdependent. Changes in the economy cannot be carried out without carrying out changes in the LC and vice versa.

If the correct necessary changes are carried out, than this will be more than a reform. The term reform refers to correcting that which exists. However, we should not try to correct or patch anything, but develop Yugoslavia on the positive achievements of our revolution by taking into account new orientations imposed by developments in the modern world and by the experience of our own development.

Disunited Society Will Be Deemed To Stagnate

[Brajovic] As far as finding a solution to the situation in Kosovo is concerned, are your expectations optimistic or pessimistic?

[Milosevic] Absolutely optimistic, despite the recent escalation in the hopes of separatists. There is no force which would halt the process of eliminating the consequences of the counterrevolution in Kosovo. Otherwise this would mean reconciling ourselves to the threat to the country's survival. If the Kosovo problem is not solved, there will be no Yugoslavia. This is why pessimism is out of the question.

[Brajovic] Why do national elements in our country dominate over class elements?

[Milosevic] The domination of national interests in a multinational community in the modern world cannot guarantee the prosperity of that community. On the contrary, it could only be a hindering factor in development. At the very beginning of the 21st century, an era of enormous technical, technological, economic, and cultural development, a multinational community which is dominated by divided and mutually opposed national interests cannot count on belonging to that kind of a world. It will remain at the tail-end of events, outside its

time; it will be run over by the times which will show themselves as times of great integrations, rapprochement, and mutual links. Societies whose parts remain divided will be doomed to stagnation; they will wither away regardless of whether they are capitalist or socialist societies.

No "Militant Groups From Serbia" Inspired Gatherings in Montenegro

[Brajovic] What do you think about some accusations that the demonstrations in Montenegro were inspired by Serbia?

[Milosevic] The Montenegrin Assembly has issued an official statement on this—that no militant groups from Serbia inspired and organized the gatherings of citizens in Montenegro. I think that this was the proper place to issue such an assessment.

[Brajovic] Why are some old slogans such as "Weak Serbia—strong Yugoslavia," or "Strong Serbia—weak Yugoslavia" being revived? Has the time not come for us to stop using slogans and replace them with work?

[Milosevic] This is an obsolete terminology, as is the policy to which this refers. A new policy is being born and if slogans are needed, they should correspond to this new policy.

The times gone by should be remembered, and lessons should be drawn from them. This is all.

[Brajovic] We have a beautiful and rich country, and capable people. We also say that our system is the best, and yet we are not doing well. How can we become richer?

[Milosevic] We will become richer when we above all learn how to use what we have. This implies the ability to produce much more and create greater value and more income from the material and human potential which we have. This requires, however, major changes: First, in the motivating mechanism according to which, in addition to their base personal income, the workers' incomes will also significantly depend on the business results of their work organizations, a successful development policy, and entrepreneurial and innovative activity and initiative; then, changes in the decisionmaking system which will produce a clear separation of self-managing from managing (professional) functions, which means that directors and general managers should be made independent in their management and that, following this logic, they are accountable to their work organizations for business results, and should not conceal their obvious professional mistakes and business failures with "self-managing decisions."

[Brajovic] Does this mean that the market will be decisive in all this?

[Milosevic] This is a question of the deciding role of the market, which objectively determines how business is done and what orientation one should have toward investment and all other decisions. These are the key conditions of the increased efficiency of the business operations and, at the same time, the major changes in the economic system which make up the very heart of the economic reform. It is in the nature of things that these changes must be made clearer to the workers because they are the ones who are creating the new value. They are therefore called upon to impose their class criteria on those who generally waste this value, but who often have a critical effect on the way it is distributed. Therefore, the reform cannot only be economic reform, but must mainlyu be a class reform in order for us to return the material basis of social strength to the economy where it belongs, and to the people who are creating this value.

Peasants Have Reasons for Being Distrustful

[Brajovic] Why do we no longer depend on our development of the countryside, and why do we not have a more specific and involved influence on the numerous and contradictory processes which are taking over the countryside (the accumulation of wealth and poverty, technical development and bourgeois mentality, emancipation and pseudo-modern thinking)?

[Milosevic] Despite the great natural wealth and valuable production experience of our agricultural producers and the significant contribution of our scientific institutions in the creation of new species of plants and animals, the growth of agricultural production is slow and unstable. The interest of individual producers in particular in producing more and in a better way is threatened by a mistaken policy. In the Serbian Presidency Commission for Economic Reform Questions, we stated that such an unfavorable situation in agriculture is in conflict with the basic orientations of economic reform and that we need an active vanguard policy which will facilitate modern, market-oriented economic production and the comprehensive development of the countryside. If we want to halt the process which is extinguishing villages and emptying cultivable areas, as well as reduce the increasing pressure of the population on several cities in Serbia, we must conduct a sensible and stimulative policy which will respect the interests of peasants and which will create trust on a more lasting basis, particularly among young people. We must therefore rid ourselves of ideological prejudices against the individual producer and private ownership.

[Brajovic] Is there the impression that peasants have become distrustful?

[Milosevic] They have many reasons to be so. Peasants must be sure that we will help and inspire them in all respects and that we will support them in their endeavors to create a real and free cooperative movement and so on, and then that we will move toward the creation of an

organized and ordered agrarian market where the security of sale as well as a stable movement of production and price will be achieved. Finally, the comprehensive development of the countryside requires the improvement of all forms of communication in the interior of Serbia, planned development of the countryside with its specific role in the entire network of settlements, and the introduction of special programs for the education of agricultural producers and others. I believe that all these and other essential cultural conditions for life will develop more quickly if we increasingly link agricultural production in peasant regions with specialized production, healthy food, the tourist economy, and export programs, because apart from increased income, all these forms of economic activity mean the quicker opening up and inclusion of the countryside in the modern economy and society.

[Brajovic] The press is divided like the political leaderships. Each has its own press, and the press its masters. Do you consider this a distortion of the role of the press in the system? Is this an unworthy subservience and toadying by the journalists? What do you think about the press today in general?

[Milosevic] Our press is Yugoslav to the extent that the state is Yugoslav. Divisions in society have been reflected in in the divisions of the press. Every republic, as well as province, has its own press. It expresses the dominant policy of its community. An open, progressive, humane orientation in the press reflects the open, humane, and progressive orientation of the community in which it acts. And vice versa: A selective, conservative, and cynical orientation in the press reflects the appropriate political and social climate of its community.

One cannot expect the press to be more objective than the central committees, assemblies, and governments. If it could do this and if it were such, it would have a great historical merit for the defense of Yugoslavia, socialism, and human dignity, Slobodan Milosevic, president of the Presidium of the Central Committee of the LC of Serbia said.

LC Members Quit Party Over Kosovo Candidates

LD1201202989 Belgrade TANJUG Domestic Service in Serbo-Croatian 1817 GMT 12 Jan 89

[Text] Pristina, 12 Jan (TANJUG)—At today's meeting, LC members of Serbian, Montenegrin, Albanian, and Turkish nationalities of the Elektrotehna work organizations in Pristina decided to return party membership cards as a result of dissatisfaction with the proposed list of possible candidates for membership in the Kosovo LC Provincial Committee and LCY Central Committee.

Communists of the Jedinstvo newspapers-publishing work organization in Pristina rejected the proposed list of candidates for the Kosovo LC Provincial Committee and LCY Central Committee. They also demanded the urgent convening of an extraordinary conference of the Kosovo LC, and dismissal of members of the current provincial committee and its Presidium.

Observance of Battle of Kosovo Criticized

AU1101102589 Pristina RILINDJA in Albanian 8 Jan 89 p 10

[Xhemail Mustafa commentary: "Demystifying a Myth"]

[Text] There is nothing new in saying that this year will witness the commemoration of the famous anniversary of the Battle of Kosovo. The anniversary has brought forth a range of activities and events which have already started and much-publicized and ambitious plans for events that will take place in June, when the 600th anniversary of the famous battle falls. To judge by what has already been done and planned to mark this anniversary, we can freely say that the event has been conceived as a mass, popular occasion, an unprecedented "spectacle," in which many cultural, but not only cultural, institutions have been involved. It is at present difficult to say what shape the commemoration of what is in many respects an obscure event from the distant Middle Ages will really assume, although suppositions have been circulating recently that it has already exceeded the bounds of a cultural event.

However, apart from suppositions, some of which have been truly apocalyptic, and which one must hope will never be realized, we can freely observe that there has been a great deal of exaggeration and one-sidedness in the preparations for this anniversary so far. It is said that in Serbia the Battle of Kosovo and the commemoration of its 600th anniversary is conceived as an event of particular interest, a key moment in the national historical heritage which must be remembered with special piety and pride. Apart from the fact that the Battle of Kosovo was a lost battle, there is no doubt that it calls for worthy commemoration, if for no other reason than that the Serbian people and other peoples of the Balkans displayed unprecedented resistance to the Ottoman Empire. It is therefore no accident that this battle has gone down in history as a famous battle of the Balkan people and as both an important defeat and a victory.

We Must Learn From, But Not Be Burdened by the Past

However, it is not by chance that publications and plans relating to this important battle and its commemoration are passing over a real and substantiated aspect of the Battle of Kosovo in silence. Whereas a range of cultural and political institutions in Serbia have given particular importance to commemorating this event, and the most wide-ranging kinds of plans have been prepared, approved, and noisily publicized, at the same time in Kosovo, where this bloody battle of the Balkan peoples actually took place, virtually nothing has yet been done. In Serbia, entire volumes in fields of various interest have been or will soon be published. Apart from the

highest cultural and academic institutions, the Serbian church has been involved in commemorating this anniversary, while some of the relevant institutions in Kosovo have either done nothing or, worse, have agreed to fund the plans and programs of other institutions instead of organizing their own.

The comparisons above must not be taken as a challenge to contest the commitment of the relevant authorities and institutions in Serbia, or at least not most of them, to a worthy and serious commemoration of an important historical event. Nobody can deny the right and the cultural, academic, and historical duty of these institutions to mark this anniversary; however, by the same token, nobody can deny the similarly inalienable duty of the relevant cultural and academic authorities and institutions in Kosovo to worthily commemorate the event. The Battle of Kosovo did not take place on distant Golgotha (although it was a real Golgotha), nor in the Elysian Fields, but on the field of Kosovo, just as it was not only Serbs, but Albanians and others who took part in this bloody and lost battle. This is a historical fact and the battle must be remembered and commemorated only as such, so that we will not be burdened by it, but will learn from it and give it a new and relevant meaning.

Battle Cries and Interpretations With a Whiff of Medievalism

We do not by chance mention the question of the burdens and lessons of distant and obscure historical events which have, in the case of the Battle of Kosovo, been subjected to much mystification, nor do we do so merely to moralize and give advice. Some intellectual circles, and not merely intellectual circles, but the Serbian church especially, are exploiting the commemoration of the 600th anniversary of this battle mainly to revive and broadcast the myth of Serbian Kosovo. Texts are also being published and "battle cries" being issued which have a genuine whiff of medievalism about them (such as, for instance, "The Testament of Tsar Lazar", issued last year by a religious publishing house), all with the aim of projecting the past into the present! In this way, for the umpteenth time, a historical argument devised by bourgeois Serbian history is being put forward as a solution to the current problems of Kosovo, involving first of all the exclusion of the Albanians from medieval Kosovo.

Such malicious and one-sided mystification is not only historically untenable, but, worse, acquires dangerous political connotations in the present political situation. The appropriate cultural and academic institutions in Kosovo (if it is true that they have done nothing) are therefore left with the obligation of devising a program to mark this anniversary, which first of all must shed true historical light on this battle and expose the myths, both old and new, that have accrued around it, and which are now breaking out and spreading so fast. Our academics, creative artists, and cultural workers in different fields also have something to say about the Battle of Kosovo, and it is their duty to state their views and positions, although they may not be pleasing to some. If nothing else, they must testify and witness once again that the Battle of Kosovo was in fact a joint struggle of the Balkan peoples.